

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING
DATE: June 1, 2000
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. EXECUTIVE OFFICER COMMUNICATIONS

4. AUDITOR COMMUNICATIONS

5. MPAC COMMUNICATIONS

6. CONSENT AGENDA

6.1 Consideration of Minutes for the May 25, 2000 Metro Council Regular Meeting.

7. ORDINANCES – FIRST READING

7.1 **Ordinance No.00-865**, For the Purpose of Amending the Regional Solid Waste Management Plan related to Disposal Facilities.

7.2 **Ordinance No. 00-866**, For the Purpose of Amending Metro Code Chapter 5.01 Related to Solid Waste Facilities.

7.3 **Ordinance No. 00-867**, For the Purpose of Amending Metro Code Chapter 5.02 Related to Regional System Fee Credits and Making other related changes.

8. CONTRACT REVIEW BOARD

8.1 **Resolution No. 00-2943**, For the Purpose of Authorizing Amendment Number Four of the Personal Services Agreement with Pac/West Communications.

Atherton

9. EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660 (1) (d)
FOR THE PURPOSE OF DELIBERATING WITH PERSONS
DESIGNATED TO CONDUCT LABOR NEGOTIATIONS.

10. COUNCILOR COMMUNICATION

ADJOURN

Cable Schedule for June 1, 2000 Metro Council Meeting

	Sunday (6/4)	Monday (6/5)	Tuesday (6/6)	Wednesday (6/7)	Thursday (6/1)	Friday (6/2)	Saturday (6/3)
CHANNEL 11 (Community Access Network) (most of Portland area)						2:00 P.M. *	
CHANNEL 21 (TVCA) (Washington Co., Lake Oswego, Wilsonville)	7:00 P.M. *	1:00 A.M. *		7:00 P.M. *			
CHANNEL 30 (TVCA) (NE Washington Co. - people in Wash. Co. who get Portland TCI)	7:00 P.M. *			7:00 P.M.*			
CHANNEL 30 (CityNet 30) (most of Portland area)		POSSIBLE 2:00 P.M. (previous meeting)					
CHANNEL 30 (West Linn Cable Access) (West Linn, Rivergrove, Lake Oswego)	8:00 A.M. (previous meeting)			2:00 P.M. (previous meeting)	11:00 P.M. (previous meeting)		
CHANNEL 33 (ATT Consumer Svcs.) (Milwaukie)	4:00 P.M. (previous meeting)					10:00 P.M. (previous meeting)	9:00 A.M. (previous meeting)

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by email, fax or mail or in person to the Clerk of the Council. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

PLEASE NOTE THAT ALL SHOWING TIMES ARE TENTATIVE BASED ON THE INDIVIDUAL CABLE COMPANIES' SCHEDULES.

Consideration of the May 25, 2000 Regular Metro Council Meeting minutes.

Metro Council Meeting
Thursday, June 1, 2000
Metro Council Chamber

Agenda Item Number 7.1

Ordinance No. 00-865, For the Purpose of Amending the Regional Solid Waste Management Plan related to Disposal Facilities.

First Reading

**Metro Council Meeting
Thursday, June 1, 2000
Metro Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) METRO ORDINANCE NO. 00-865
THE REGIONAL SOLID WASTE)
MANAGEMENT PLAN RELATED) Introduced by
TO DISPOSAL FACILITIES.) Executive Officer Mike Burton
)

WHEREAS, The Metro Council adopted the Regional Solid Waste Management Plan (RSWMP) as a functional plan in Ordinance No. 95-624; and

WHEREAS, RSWMP sets forth policies on disposal facilities related to disposal capacity and access to that capacity; and

WHEREAS, The Recommended Practices of the RSWMP related to access rely on small-scale reload facilities to serve as feeders to regional facilities; and

WHEREAS, Reload facilities have not been built, and are not likely to be built in sufficient numbers to address the accessibility objectives of the Plan; and

WHEREAS, Accessibility to regional disposal capacity remains a matter of metropolitan concern; and

WHEREAS, The potential conversion of material recovery capacity to disposal capacity is a matter of metropolitan concern; and

WHEREAS, These recitals were reviewed and recommended for approved by the Regional Solid Waste Advisory Committee; and,

WHEREAS, This ordinance was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

SECTION 1. "Solid Waste Facilities and Services: Transfer and Disposal System," located on pages 7-25 of the Regional Solid Waste Management Plan, is amended to read:

Solid Waste Facilities and Services, Transfer and Disposal System

The recommendations identify four practices of regional concern for the transfer and disposal system. These practices are contingent upon growth forecasts and adoption of successful implementation of the recommended waste reduction practices.

1. Maintain-Allow additions to the existing system of three transfer stations as necessary to maintain solid waste transfer and disposal service levels that provide reasonable access for residents, businesses and haulers. Build no new transfer stations. No redirection of haulers from Metro South to Metro Central. New transfer stations may be authorized where they provide a net benefit to the regional solid waste system. New transfer stations shall perform material recovery subject to facility recovery rate standards.
2. Maintain the existing system of private general and limited-purpose landfills.
3. Maintain options for haulers to choose among disposal alternatives.
4. Allow the siting of reload facilities for consolidation of loads hauled to appropriate disposal facilities.

SECTION 2. Recommended Practice No. 1, "Solid Waste Facilities and Services: Transfer and Disposal System," located on pages 7-25 to 7-26 of the Regional Solid Waste Management Plan, is amended to read:

1. Maintain-Allow additions to the existing system of three transfer stations as necessary to maintain solid waste transfer and disposal service levels that provide reasonable access for residents, businesses and haulers. Build no new transfer stations. No redirection of haulers from Metro South to Metro Central. New transfer stations may be authorized where they provide a net benefit to the regional solid waste system. New transfer stations shall perform material recovery subject to facility recovery rate standards.

- Key Concept and Approach of the Recommended Practice:

Most of the region's waste is delivered to the three transfer stations (Metro South, Metro Central and Forest Grove) rather than being directly hauled to landfills. These three stations have sufficient capacity to handle the future demand for transfer services under the projected economic growth and waste reduction impacts of the recommended practices. However, an efficient disposal system depends on both capacity and accessibility. New transfer stations may be considered when the delivery of efficient disposal services is negatively affected by either of these two factors.

- Key Elements of the Recommended Practice:

- a) Successful implementation of waste reduction practices to reduce demand for transfer services.
- b) Allow additional transfer stations in the region. Such additional stations may, but need not be, limited as to the amount of waste they accept, process or dispose of, except to the extent that such limitations are required by local regulations or are in conflict with Goals and Objectives of this Plan.
- c) Provide more uniform access to transfer stations, in order to improve system efficiencies in those areas of the Metro region that are under-served.
- d) New transfer stations may be authorized where they benefit residents, businesses and solid waste haulers within the under-served areas.
- e) Preserve and enhance the region's material recovery capacity.
- f) Modifications to existing facilities as required to maintain service levels
- g) When necessary implement waste handling practices sufficient to reduce demand on transfer facilities
- h) Modify transfer ~~the existing~~ stations as needed to coordinate with any changes in collection technologies (e.g., co-collection of waste and recyclables).
- i) Provide a full range of public services at transfer stations that serve a broad or regional market. Examine service options to include reuse, recycling and disposal for households and businesses that self-haul their waste.

- Key Elements of Alternative Practices:

In the event waste reduction efforts do not perform as expected or growth is greater than expected, options to be evaluated on a case-by-case basis, depending on tonnages and system cost, will include:

- operational changes to existing facilities
- redirection of haulers from any transfer station that is exceeding capacity
- remodeling of publicly-owned transfer stations ~~existing facilities~~
- ~~adding reload capacity~~
- ~~building a new transfer station~~

Alternative practices may be adopted that achieve the same performance as the recommended practice.

- Roles and Responsibilities:

Metro will review service levels on a regular basis to determine if any of the alternative elements listed above need to be implemented. Metro will put maximum feasible effort into material recovery at the publicly-owned stations. Metro will monitor and report annually on the rate and amount of material recovery achieved at all regional facilities, and will include an analysis of any differences among facility recovery rates, especially any differences between facilities that are subject to minimum recovery rate standards and facilities that are not subject to the recovery rate standards. Metro's Capital Improvement Plan ~~will~~ shall include plans for any modification to the publicly-owned existing transfer stations needed to maintain service levels including material recovery.

ADOPTED by the Metro Council this _____ day of _____, 2000.

David Bragdon, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

**EXECUTIVE SUMMARY
ORDINANCE NO. 00-865**

**AMEND THE REGIONAL SOLID WASTE MANAGEMENT PLAN RELATED TO
FACILITIES**

PROPOSED ACTIONS

The proposed RSWMP amendments will allow the Metro Council to consider authorizing additional transfer stations when a positive benefit to the regional solid waste system can be realized. New transfer stations will be required to perform material recovery and meet minimum standards.

WHY NECESSARY

- The current RSWMP Recommended Practice for disposal facilities is to build no new regional transfer stations. Access to disposal sites is addressed by recommending the development of small-scale "reload" facilities that serve as feeders to Metro Central or South. These reloads are unlikely to solve the access problems.
- An efficient disposal system depends on both capacity and accessibility. The proposed amendments allow Metro to consider new transfer stations when the delivery of efficient disposal services is negatively impacted by either of these two factors. Transfer stations could resolve the access problem.
- Material recovery requirements are necessary to strengthen the commitment to recovery at transfer stations. This is to help ensure that material recovery capacity is not converted to disposal capacity if existing MRFs apply to become regional transfer stations.

ISSUES / CONCERNS

- Additional transfer stations can provide a positive benefit to the regional solid waste system, if strategically located.
- Existing RSWMP policies do not allow Metro to authorize additional transfer stations - even in areas where a positive benefit to the regional system can be demonstrated.
- Authorizing additional transfer stations does not require building new public facilities, but rather could occur through the expansion of existing private facilities.

BUDGET / FINANCIAL IMPACTS

- Metro's costs change as tonnage shifts to new transfer stations. These changes are reflected in costs to operate its two transfer stations, and to transport and dispose of the waste. Generally these costs decline as the waste shifts to the new facilities. Under the scenario where two transfer stations are added to the system, the cost at Metro facilities would decline by over \$7 million (almost \$9.5 million in inflated dollars).
- While overall Metro's costs decline as waste shifts to other facilities, its unit cost (cost per ton) increases. This is due to the declining block rate structure of its transfer station operation and disposal contracts, and the fixed costs charged only at Metro's facilities. Metro's unit cost for the two transfer stations would rise about \$1.70 per ton (\$2.26 in inflated dollars in 2010) under the scenarios above. If Metro makes no changes to its cost or rate structures, this might ultimately have to be reflected in the tip fee.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 00-865 FOR THE PURPOSE OF AMENDING THE REGIONAL SOLID WASTE MANAGEMENT PLAN RELATED TO DISPOSAL FACILITIES.

DATE: June 1, 2000

Presented by: Terry Petersen
Doug Anderson

Action Requested and Purpose of the Ordinance

The Council is requested to adopt Ordinance No. 00-865 amending the Regional Solid Waste Management Plan. This ordinance is accompanied by two additional ordinances (No. 00-866 and 00-867) that would amend Metro Code to implement the Plan amendments.

These amendments were developed during the 1999–2000 review of the RSWMP and Metro Code provisions for regional transfer stations. The amendments make changes that are necessary to ensure the Regional Solid Waste Management Plan (RSWMP) remains a current and relevant policy document and that the Metro Code Chapter 5.01 implements the guiding policies contained in the RSWMP. The amendments are summarized later in this staff report.

Existing Law

Metro Council adopted the Regional Solid Waste Management Plan (RSWMP) as a functional plan in Ordinance No. 95-624. Any amendments to the Plan require adoption of an ordinance by the Council.

I. SUMMARY

Ordinance No. 00-865 would amend the Regional Solid Waste Management Plan policies regarding transfer stations. Ordinances No. 00-866 and 00-867 would amend Metro Code to implement the Plan amendments.

Given changes in the region and in the solid waste industry since adoption of the Plan, it is desirable to have a framework in which Council could consider expanding the system of transfer stations. Ordinance No. 00-865 provides this broader framework.

Ordinance No. 00-865 would not of itself authorize any new transfer stations. Rather, it provides a vehicle by which the private sector could apply to operate a new transfer station, and a framework in which Council could approve or deny the application. Any decision on a specific facility would be based on Council deliberations pursuant to the application and evaluation criteria in Metro Code Chapter 5.01.

Together, the three ordinances add specific new obligations designed to (1) conserve the region's material recovery capacity, (2) achieve higher levels of material recovery, (3) minimize the impact on Metro's two transfer stations, and achieve other public objectives.

This report recommends that the Regional Solid Waste Management Plan (RSWMP) and Metro Code be amended to allow Metro to consider new transfer stations where positive benefits can be realized. As discussed below, new transfer stations, under the appropriate set of circumstances, can provide a positive benefit to the regional solid waste system. Any new transfer stations would be required to provide a full range of public services, including provision of a recycling drop site, accommodating household hazardous waste collection, accepting all customers, and achieving a minimum material recovery rate of 25 percent from non-putrescible waste. Amending the RSWMP and Metro regulations to allow new transfer stations, requires action on the attached ordinances by the Metro Council.

II. INTRODUCTION

Commercial haulers in the Metro region spend 270,000 hours per year driving from their routes to disposal sites, at a cost to ratepayers of approximately 19 million dollars and about 12 million vehicle miles traveled (VMT). Self-haulers add another 100,000 hours and 4.5 million VMT.

This is partly the result of the location of transfer stations, which tend to be located in at the edges of the region or in remote industrial areas. A more spatially distributed set of facilities is one method of improving access. Depending on assumptions about location and the habits of users, additional transfer stations could reduce regional off-route time by at least 2 to 4 percent. This translates, conservatively, into at least \$970,000 and perhaps over \$1,200,000 per year in off-route cost savings (refer to Section VI – System Cost). These figures do not include the scope for savings due to capital and routing efficiencies, nor do they include the regional benefit of a reduction in VMT, localized congestion at existing facilities, and other impacts of transport.

In the long run, the amount of solid waste can grow only as fast as the region. Thus, adding disposal capacity is a zero-sum game in the short run. That is, for every ton received at a new facility, an existing facility loses tonnage. If, in the interest of achieving haul-time efficiency, Metro were to authorize new transfer stations, the flow of solid waste to Metro Central and Metro South would diminish. As a consequence, Metro's unit costs for station operation could rise.

Herein lies a dilemma for Metro. As the agency responsible for regulating disposal in the region, Metro has the opportunity to reduce—or at least contain—the costs of access to disposal sites by authorizing new transfer stations. However, as a market participant, Metro will lose commerce if it allows more players in the market.

The RSWMP, adopted by Metro Council in 1995, provides a policy to guide decisions in this situation. Goal 3 of the Plan states, "The costs and benefits to the solid waste system as a whole are the basis for assessing and implementing alternative management practices." Objective 3.1 goes on to define "system cost (the sum of collection, hauling, processing, transfer and disposal)" as the "primary criterion" for evaluation "rather than only considering the effects on individual parts of the system." Applying Goal 3 to the question of authorizing new transfer stations, Metro should decide in favor if the net savings are positive, even if this means a loss to its own enterprise activities.

As will be shown in this report, new transfer stations can provide a positive benefit to the regional solid waste system. Accordingly, this report recommends that the RSWMP and Metro Code be amended to allow Metro to authorize new transfer stations where these positive benefits can be realized. The RSWMP and Code revisions set up a framework and evaluation criteria that would allow the Metro Council to consider and approve applications for new transfer stations when these benefits can be demonstrated; and to deny them when benefits cannot be demonstrated.

However, the issue does not quite end here. Metro's two transfer stations play several public roles in addition to serving as disposal sites for commercial solid waste haulers. They provide a drop site for recyclable materials and household hazardous waste; they accept all customers including the self-hauling public; and the operators perform post-collection material recovery. As is the nature of public goods, the charge for these services does not always cover the cost. Thus, if Metro were to authorize a private company to operate a new transfer station, it is unlikely these public services would be offered voluntarily at the new station. If Metro were to authorize new transfer stations without conditions, Metro would risk a shift of high-value, efficient commercial loads to the new private facilities and be left as the main supplier of the public services.

This concern was addressed in Metro's revision of its Facility Regulation Code in 1998. As a result of that revision, Metro authorized a limited form of transfer station — one that delivered 50,000 or fewer tons per year to a disposal site. According to the new Code, facilities that delivered over 50,000 tons are required to take on some level of public function.

This policy—transfer stations must provide a certain level of public services—is re-affirmed as a recommendation in this report. To the three existing obligations - recycling drop site, accommodate hazardous waste collection and accepting all customers - is added a fourth: Perform material recovery at a rate of at least 25% of non-putrescible waste. These recommendations are described in more detail in the report.

This report also makes some ancillary recommendations for changes to the RSWMP or Metro Code. These are designed to support the main recommendation concerning transfer stations:

- Extending the minimum recovery rate requirement to dry waste materials recovery facilities. This is intended to help plug an opportunity to avoid the requirement by delivering to a facility without a minimum recovery rate standard.
- Extending the minimum recovery rate requirement to facilities that receive putrescible waste, but dispose of less than 50,000 ton per year. This extension is recommended for the same reason as above, but in addition, it helps level the playing field between "small" and "large" transfer stations with respect to the cost of operation in providing full public services.

Currently, there are several existing solid waste facilities that would be likely applicants to become regional transfer stations: Pride Recycling and Willamette Resources in Washington County, and Recycle America in Troutdale. These facilities are capable of handling additional waste, and are located in areas that would produce system efficiencies. It would then be up to local communities to weigh the pros and cons of allowing a facility to operate as a regional transfer station before Metro would consider granting a franchise.

We conclude this Introduction with a summary of the recommendation. Each of these recommendations are outlined in more detail later in this report in Section V – Recommendation on the Regional Policy Toward Transfer Stations. The basic components of the recommendation are as follows:

- 1. Change the Plan framework to allow Metro to consider authorizing new transfer stations.**
- 2. Require material recovery at transfer stations.**
 - *Establish minimum recovery requirements*
 - *Extend recovery requirements to all facilities regulated by Metro*
- 3. Re-affirm the public obligations of regional transfer stations:**
 - *Accept all customers*
 - *Accommodate hazardous waste collection events*
 - *Provide a recycling drop site for the public*
- 4. Maintain a distinction between types of facilities:**
 - *Reloads (small-scale, consolidated waste delivered to a transfer station)*
 - *Local transfer stations (disposal of 50,000 or fewer tons per year)*
 - *Regional transfer stations (disposal of more than 50,000 tons per year)*
 - *Maintain a further distinction of the role of the public (Metro's) transfer stations*
- 5. Increase Metro's oversight of public obligations and performance standards**

III. STATEMENT OF THE PROBLEM AND THE POLICY FRAMEWORK

Background

Metro is responsible for providing solid waste planning and disposal services for the citizens in the Metro region. Currently, most of the area's waste is processed through Metro's two transfer stations (Metro South in Oregon City, and Metro Central in NW Portland), and a privately-owned, Metro-regulated transfer station in Forest Grove. During a recent update of the Metro Code regulating such facilities, Metro committed to revisit the adequacy of this network of regional transfer stations. Metro's Regional Environmental Management Department (REM) staff have been meeting regularly with representatives from the solid waste industry and local government solid waste staff to explore the question of whether additional solid waste transfer station services are needed.

In 1997, a number of stakeholders proposed amendments to the RSWMP policies toward reload facilities. These amendments removed a number of constraints on reloads, and simplified the RSWMP policy to: "Allow the siting of reload facilities for consolidation of loads hauled to appropriate disposal facilities." It was understood that reload facilities would be authorized to handle putrescible waste. This amendment was approved by Metro Council in 1997.

What had changed, since adoption of the plan, that motivated stakeholders to suggest that the RSWMP was in need of revision? There are two basic reasons that came to light during Council's deliberation on the reload policies in 1997. First, accessibility to disposal sites was a growing problem. To address accessibility, the RSWMP recommends that a feeder system of

reloads be developed at locations distant from transfer stations. However, this was not proving to be an efficient solution. Second, Metro's changing fee structure was undermining the economic foundation for operating material recovery facilities (MRFs), and several operators sought to handle putrescible waste in order to keep the facility operating. These factors are examined in turn.

RSWMP, Transfer Stations and Reloads

The Plan addresses two factors related to solid waste:

1. *Capacity to handle waste (throughput).* The Plan states that the 3 regional transfer stations (Metro Central & South, and Forest Grove) have sufficient capacity to handle the future demand for transfer services. Accordingly, the Recommended Practice is to build no new regional transfer stations.

Under the current Plan, a new transfer station could be authorized pursuant to an "Alternative Practices" process, and only upon a finding that the capacity of transfer stations to meet demand has been outstripped due to unanticipated regional growth or because the regional waste reduction program has not performed as expected.

2. *Accessibility to disposal sites.* Although the Plan assumed there was sufficient waste-handling capacity, access to disposal sites was also addressed. The Plan recommends that problems with access be addressed by the development of small-scale "reloads." These were to be located in areas with a "service gap," and perform simple consolidation of waste for delivery to Metro Central or South.

By 1997, it was becoming clear that accessibility was eroding. The amount of time that haulers spent travelling off-route to a disposal facility was growing faster than the rate of growth in the amount of solid waste. The fastest-increasing component of local rates was transport, especially in the suburban counties (source: local governments). The planning problem was not transfer capacity, but accessibility to that capacity.

By 1998, it was clear that reloads were not an efficient solution. Reloads provide savings only from a short intra-regional haul, provide limited economy of scale, require specialized investment (short-haul transport trucks), are as difficult to site as a large solid waste facility, and ultimately, the waste is handled twice: Once at the reload and again at the transfer station.

Only one company has attempted to develop a reload consistent with the Plan (Miller's Sanitary Service—Citistics, in Beaverton). Mainly due to siting and permitting problems, that facility took two-and-a-half years longer than expected to complete, and ended up five times over budget. The facility operated only a few months and is now closed. Other solid waste companies have taken Miller's experience as instructive, and no new reloads are known to be in the planning.

Metro Fee Changes

In 1998, Metro proposed the third drop in its tip fee in as many years. In succession, the rate fell from \$75 per ton, to \$70, to \$62.50 at Metro transfer stations. As the operator of largest disposal facilities in the region, Metro leads the market in price; no private facility can charge much more than the Metro tip fee, else it risks losing business. Thus, Metro's tip fee tends to peg the revenue available per ton at any regional solid waste facility. Metro's tip fee reductions

effectively cut the revenue at private solid waste facilities.

Metro also charges a fee and a tax on waste that is landfilled: a Regional System Fee (RSF) that funds Metro's non-disposal solid waste programs (e.g., hazardous waste), and an excise tax that helps fund general government functions (excluding solid waste; e.g., the Metro Council). During the three years that the tip fee fell, the RSF also fell, from \$17.50 per ton, to \$15, to \$14. (The excise tax rate did not change significantly during this period.)

Because they are levied on disposal, the RSF and excise tax are costs to operators of solid waste facilities. And clearly, these costs did not fall commensurately with the tip fee. Thus, while Metro cut potential revenues by \$12.50 per ton (\$75.00-62.50), it cut costs by only \$3.50 (\$17.50-\$14.00). By 1998, this loss in operating margin put several MRFs at risk. During the 1998 Code Revision, several operators argued that, if they were allowed to accept and transfer putrescible waste, they might be able to stay in business. This proposal converged in time and effect with the arguments that reloads are unlikely to solve the accessibility problem, as they are unlikely to be built. Furthermore, allowing MRFs to handle putrescible waste was consistent with the RSWMP policy to capitalize on existing solid waste infrastructure when expanding the disposal system (Objective 11.1, page 5.8 and Reload Key Element (a), page 7.27).

The Present Situation

Many of these issues were partially addressed in 1998, when the Solid Waste Regulatory Chapter of the Metro Code underwent a major revision. The revised Code authorizes solid waste facilities to accept putrescible waste *and* directly haul this waste to an appropriate landfill to avoid the double-handling inefficiency. The Code defined a difference between "small" and "large" facilities (disposal of less or more than 50,000 tons of waste per year, respectively), and imposed certain obligations on "large" facilities. Under the assumption that 50,000 tons confers sufficient economy of scale, "large" facilities are required to provide certain public services—acceptance of public self-haul customers, hazardous waste and a free recycling drop-site—to help reduce service burdens on the regional transfer stations.

After the 1998 revision, "small" transfer station status was granted to three solid waste facilities. These facilities are allowed (but not required) under the code to meet the obligations above. The Council found no conflict with the RSWMP in approving these applications. However, the revised Code continues to require a finding of consistency with the RSWMP in order to confer "large" transfer station status on a solid waste facility. As it is difficult to demonstrate either RSWMP condition—failure of the waste reduction program or unanticipated regional growth—no "large" station status has been granted to date.

The three new facilities do not fully solve the accessibility problem that the Plan intended them to address. Many haulers cannot be accommodated under the 50,000 ton cap, and these haulers continue to incur longer commute times to regional transfer stations—unable to capitalize on haul-time efficiencies afforded by the closer facilities. The accessibility problem for self-haulers (half of which are businesses) was never addressed by these new facilities, and continues to worsen.

IV. DECISION PROCESS

In response to the unresolved issue regarding additional regional transfer stations, a team of REM staff began working on the question of regional transfer stations. The project team worked to define the problem with Metro Council and the Executive Office, SWAC, the hauling community, solid waste facility operators and REM management. Their basic charge was to determine:

- Does the region need more transfer stations?

If so:

- Where should they be located?
- What are their obligations in the solid waste system?
- What changes to the RSWMP and Metro Code are required?

In June 1999, the REM asked the Solid Waste Advisory Committee (SWAC) to appoint a subcommittee to work with the project team to study the problem and develop solutions to carry forward for further review and refinement. The SWAC subcommittee included representatives from the solid waste hauling, processing and recycling industries and local government representatives.

For empirical work, the team has completed a survey of haulers, intercept surveys at facilities and a national travel time survey. It developed and calibrated a solid waste flow-simulation model that is capable of providing estimates of tonnage and off-route travel for a number of scenarios was also developed for the project. Transportation data used in the model were provided by Metro's Transportation Department, and are consistent with the current Regional Transportation Plan. Demographic and economic data were provided by Metro's Data Resource Center and are consistent with Metro's Region 2040 Plan. In addition, geographic information and mapping was provided by Metro's Data Resource Center. REM's Business & Regulatory Affairs Division conducted fiscal assessments. A system cost analysis was conducted by an independent consultant (R.W Beck) hired by Metro.

The planning process has focused on examining accessibility (the time that commercial garbage trucks and the public must travel in order to get to an existing transfer facility) and solutions that would be both durable and flexible enough to guide the region for the next 5 to 10 years. Based on outcomes of the planning sessions, recommendations were developed for incorporation into both the RSWMP and Metro Code Chapter.

Does the region need more transfer stations?

Based on the Regional Transportation Plan, and as illustrated in the travel time maps for the three existing regional transfer stations (refer to Attachment 1(a) and 1(b)-*Travel Time Maps to Existing Transfer Stations*), there are significant service gaps for haulers and residents of the eastern portions of Multnomah and Washington counties. Based on projections, travel times for these areas will increase as the region grows, and ultimately will increase the cost to ratepayers.

Early in planning sessions with the subcommittee, staff verified that the planning problem was not transfer station capacity, but accessibility to that capacity. Users of the facilities (commercial haulers and self-haul) agree that continued growth in the region and the resulting traffic

congestion has made it significantly more time-consuming to access the existing system of three regional transfer stations (refer to the Commercial and Self-Hauler Surveys – Dotten & Associates, September 9, 1999). The subcommittee also found that siting of reloads and the problem of double-handling inefficiencies argued against their development as a solution to accessibility problems.

The subcommittee agreed that authorizing new transfer stations did not require building new public facilities. Rather, the region could potentially save costs by utilizing the existing infrastructure of solid waste facilities to help provide the needed services.

This direction is consistent with current RSWMP Goals and Objectives for Facilities and Services:

Goal 11 – Accessibility, which states:

There is reasonable access to solid waste transfer and disposal services for all residents and businesses of the region.

Objective 11.1 states:

Extend and enhance the accessibility of the infrastructure already in place for management of the waste stream for which the RSWMP is responsible.

Service Gaps Identified

The RSWMP benchmarks for access to transfer stations for the year 2005 are already being exceeded in growing areas of the Metro region. The current RSWMP benchmarks for access to regional transfer stations lists the expected average haul times, by county, as between 18 and 23 minutes. These haul times were expected to remain relatively unchanged to the year 2005 if the recommended practices in the RSWMP are in place.

Findings from the planning sessions indicate that both commercial collection vehicles and the general public are spending considerably more time driving on the road to reach a regional transfer station. In particular, there are currently significant “service gaps” in eastern Washington and Multnomah counties, where access exceeds 25 minutes for large areas (refer to Attachment 1(a) and 1(b)-*Travel Time Maps to Existing Transfer Stations*). These “service gaps” are projected to grow by 2010, based on information from Metro’s Transportation Department. These gaps result in an imbalance in the accessibility and level of services typically provided by regional transfer stations to both commercial waste haulers and public self-haulers (e.g., solid waste disposal, household hazardous waste collection events, public self-haul access).

V. RECOMMENDATION FOR REGIONAL POLICY TOWARD TRANSFER STATIONS

The following recommendations were developed primarily by the SWAC subcommittee working with the REM Department. The actual RSWMP and Metro Code amendments are detailed in the Ordinances. SWAC held a work session on May 17 that resulted in a formal recommendation to Metro Council on the regional policy toward transfer stations, preservation of material recovery capacity, and related issues. The following is a summary of the recommendations with background on each point.

The basic components of the recommendation are:

1. Change the Plan framework to allow Metro to consider authorizing new transfer stations.
2. Require material recovery at transfer stations.
 - *Establish minimum recovery requirements*
 - *Extend recovery requirements to all facilities regulated by Metro*
3. Re-affirm the public obligations of regional transfer stations:
 - *Accept all customers*
 - *Accommodate hazardous waste collection events*
 - *Provide a recycling drop site for the public*
4. Maintain a distinction between types of facilities:
 - *Reloads (small-scale, consolidated waste delivered to a transfer station)*
 - *Local Transfer Stations (disposal of 50,000 or fewer tons per year)*
 - *Regional Transfer Stations (disposal of more than 50,000 tons per year)*
 - *Maintain a further distinction of the role of the public (Metro's) transfer stations*
5. Increase Metro's oversight of public obligations and performance standards

Summary of the Recommendation

1. Change the Plan framework to allow Metro to consider authorizing new transfer stations

The Regional Solid Waste Management Plan currently states that the three regional transfer stations (Metro Central, Metro South, and Forest Grove) have sufficient capacity to handle the future demand for transfer services. The current Recommended Practice is to build no new regional transfer stations.

Under the current RSWMP language, a new transfer station could be authorized upon a finding that (a) the regional waste reduction program has not performed as expected; or (b) regional growth is greater than expected, and service levels cannot be maintained within the existing system of three transfer stations because of lack of capacity.

The current Plan addresses access to disposal sites by recommending the development of small-scale "reloads" that serve as feeders to Metro Central or South. However, an efficient disposal system depends on both capacity and accessibility. Metro should be able to consider new transfer stations when the delivery of efficient disposal services is negatively affected by either of these two factors. The SWAC subcommittee's evaluation indicates that reloads are unlikely to improve the access problem, as it is unlikely they will be built. Transfer stations could resolve the access problem, and they are more likely to be built due to the efficiencies and economies of scale that are possible.

The new policy toward transfer stations would change the conditions under which transfer stations could be authorized. These conditions would take into account the recognition that reloads are unlikely to solve the access problem. The subcommittee's proposed new language is:

Maintain Allow additions to the existing system of three transfer stations as necessary to maintain solid waste transfer and disposal service levels that provide

reasonable access for residents, businesses and haulers. Build no new transfer stations. No redirection of haulers from Metro South to Metro Central. New transfer stations may be authorized where they provide a net benefit to the regional solid waste system. New transfer stations shall perform material recovery subject to recovery rate standards. [RSWMP page 7.25]

The last sentence in the new language above is designed to confirm the region's commitment to material recovery, and to help ensure that material recovery capacity is not converted to disposal capacity in a manner that affects regional recovery goals. See also 2, below.

2. Require material recovery at transfer stations

This policy is triggered by several concerns: (1) a general concern about the level and trend of post-collection recovery in the region; (2) the effect of this trend on recycling goals; and (3) the potential conversion of material recovery capacity to disposal capacity if existing MRFs apply to become regional transfer stations.

As shown above, new Plan language would strengthen the commitment to recovery at transfer stations. In addition, Metro Code would be amended to implement a minimum recovery standard on new regional transfer stations. A standard of 25% from non-putrescible waste is proposed. This recovery rate reflects a balance between a number that is real and achievable at a solid waste facility, and a concern that too-high a standard might provide a disincentive to serve source-separation programs. The recovery requirements would also be imposed on local transfer stations and MRFs, primarily for equity; but also to strengthen the effect of the policy by minimizing the number of alternatives that are not subject to the recovery requirement.

Solid waste stakeholders recommend that the recovery requirement be imposed only on new regional transfer stations (that is, franchised after July 1, 2000). This has the effect of "grandfathering" the existing regional transfer stations, and is a result of the following concerns:

- a) One role of the public stations (Metro Central and South) is as disposal sites of last resort. Furthermore, as disposal sites of first resort, they have no control over their incoming waste streams. Thus, they play a different role in the solid waste system than regulated private transfer stations. Furthermore, Metro's stakeholders have noted: (i) Metro is very public about its commitment to recycling, and stakeholders felt assured that Metro would always recover materials with maximum feasible effort. (ii) There is no real mechanism to enforce the recovery rate at public stations.
- b) The existing private station (Forest Grove) was not designed to perform material recovery, and the addition of recovery capacity at this time would not be cost-effective. Furthermore, land-use regulations constrain any additional uses of the site. The Forest Grove franchise has eight years to run. Metro's solid waste stakeholders have indicated this is adequate lead time to address the issue of recovery at the Forest Grove transfer station.

However, SWAC recommended that the Plan be amended to include language that commits Metro to maximum feasible recovery effort, in lieu of explicit recovery rate standards.

3. Re-affirm the public obligations of regional transfer stations

This policy recommendation arises from the concern that private transfer station operators would minimize the provision of public services (that is, accept all customers, accommodate hazardous waste collection events, and provide a public recycling drop site), leaving these to be provided solely by Metro. Re-affirmation of the policy ensures a fair sharing of responsibility for public services, and improves the equity of access to all users of disposal sites.

4. Maintain a distinction between types of facilities

This policy arises from the observation that a range of solid waste facilities can better serve the varied disposal needs of the region. However, without some level of certainty about the capital and operating requirements, private firms will be less willing to invest the time and resources in siting a facility.

Reloads

Reloads are currently exempt from Metro regulation, if their sole purpose is consolidation of loads collected by a single hauler and delivered to facilities within the region. This exemption is based on the intended role of reloads: efficiency-enhancing extensions of a collection system. The exemption is proposed to remain in Metro code, with a revised definition that better clarifies the purpose of this type of facility within the regional system. Multi-hauler reloads would remain subject to Metro regulation.

Local Transfer Stations

This type of facility is currently not formally defined in Metro code. Rather, it is described as a solid waste facility that disposes of 50,000 or fewer tons of solid waste per year. In conversation, these are sometimes called "direct-haul reloads." It is proposed to define this type of a facility formally as a "Local Transfer Station," to re-affirm the obligations currently specified in Metro Code, and to extend the new recovery rate requirements to Local Transfer Stations. The intent is to re-affirm that there is a need for medium-scale facilities in the solid waste system, and to specify the level of public obligations and operating conditions that would be required of them.

Regional Transfer Stations

This type of facility is currently not formally defined in Metro code. Rather, it is described as a solid waste facility that disposes of more than 50,000 tons of solid waste per year. However, an application for authority to dispose of more than 50,000 tons must be accompanied by an analysis showing that the proposed facility is consistent with the Regional Solid Waste Management Plan. As discussed previously, such a demonstration would be difficult under the current language of the Plan.

If Council were to approve amendments to the Regional Solid Waste Management Plan consistent with the option laid out in 1 above ("Change the plan framework..."), then Metro could begin considering applications for "large" transfer stations. To implement this change, Metro Code would be amended to formally define a "Regional Transfer Station," to re-affirm the obligations currently specified in Metro Code for "large" transfer stations, and to include a minimum recovery rate requirement.

5. Increase Metro's oversight of public obligations and performance standards

Metro Code currently contains substantial monitoring and enforcement language. However, solid waste stakeholders have recommended a review of Metro Code, policies and staffing in this area, with the goal of having an effective enforcement mechanism. REM recommends that Metro wait until the Council has decided on any changes to the Plan and Metro Code regarding transfer station policy, before undertaking this review. REM expects that review and recommendations would take three to four months after the Council's decision.

Accordingly, no specific options or language on monitoring and enforcement is provided at this time.

Consequences of the Proposed Policy

The following is a summary of the main consequences of the proposed policy:

- *Helps contain future cost increases in residential and commercial route collection and helps balance the equity of access to disposal services.* The main purpose of authorizing new transfer stations is to provide system efficiencies and more uniform access to public services in those areas of the Metro region that are under-served. Reductions in hauler travel time account for approximately half the savings that are projected in Section VI – System Cost. Such savings could be captured in the local government rate setting process.
- *Helps maintain regional recovery capacity.* The purpose of the new requirement for material recovery is to ensure consistency with the RSWMP provisions to preserve material recovery capacity and increase actual recovery of material. The 25% level was chosen to provide a good balance between a meaningful number, something that is achievable by the facility, and yet is not enough to provide any disincentive to service source-separation programs.
- *Helps reduce congestion and vehicle-miles traveled (VMT).* By increasing accessibility, haul times and congestion at existing facilities are reduced, which provides a benefit to the solid waste system, and also supports Metro's broader regional transportation goals.
- *Helps free up space at Metro transfer stations to accommodate growth and more recovery (e.g. organics reloading).* If additional transfer stations are authorized, some waste will flow away from the Metro facilities. This can free up space and become an opportunity to conduct additional material recovery or focus on new recovery strategies, such as organic waste reloading.

Other Issues

During the course of discussions, REM heard from independent haulers regarding (1) their concern about degrading access to transfer stations, and (2) concerns about price discrimination if new transfer stations are not tightly regulated. Several haulers recommended that Metro operate the scalehouses of any new regional transfer stations. This option was discussed at length, but rejected for now. Basically, REM found that operating the scalehouses would not provide sufficient protection from price discrimination. Furthermore, REM intends to review the resources available for oversight and regulation of new transfer stations, as discussed in subsection 5 above.

VI. SYSTEM COST

The basic empirical work involved comparing system costs among 3 basic scenarios:

1. Status quo. No new facilities are added to the system.
2. Target Service Gaps. What is the change in system cost if new transfer stations are developed to serve the areas identified as most-distant from transfer capacity?
3. Expand Existing System. What is the change in system cost if we capitalize on sunk investment, consistent with Objective 1.1 of the Plan?

The basic findings are:

1. Target Service Gaps. If new transfer capacity is located to best serve the areas most distant from existing transfer stations, there are significant annual savings in off-route transportation cost. It is important to note that this scenario assumes an appropriate solid waste site can be found within the areas with a "service gap." Even so, however, the cost of new transfer stations (amortized siting, construction and capital, plus operating costs) appears to be greater than the transport savings, if one assumes these will be full-service stations.
2. Expand Existing System. Although the previous scenario is not sufficient to conclude that new transfer stations will not be built, it does suggest that development of new transfer stations are unlikely. Accordingly, a second scenario was examined based on upgrading existing facilities into regional transfer stations. By capitalizing on sunk investment, the facility costs are significantly reduced relative to the previous scenario. However, because we rely on existing locations which do not necessarily address the "service gaps" perfectly, the transport savings are not as great as with the previous scenario. However, positive net system benefits are realized under this scenario.

The basic conclusion is that net system savings are possible with the development of new transfer stations. Accordingly, in the public interest, the Council should be able to consider applications for new transfer stations; and the Council should be able to approve or deny these applications based on their merits, including whether they provide a net benefit to the regional solid waste system.

The Scenarios

Metro retained a consulting firm (R. W. Beck) to conduct an independent analysis of the net costs to the system of various scenarios of new transfer stations in the region. These are summarized below. The methodology and results of the analysis are described in greater detail in the R. W. Beck report. The analysis of system cost is comprised of the following components:

- Changes in transportation cost as facilities are added or expanded.
- Cost changes at new or expanded facilities.
- Changes in Metro's costs as tonnage shifts to the new or expanded facilities.
- Changes in other facilities' costs as tonnage shifts to the new or expanded facilities.

On-route savings are not considered in the calculation. Insofar as greater accessibility provides an opportunity for on-route efficiencies, the system cost analysis is conservative.

Note: these scenarios have been prepared for analytical purposes, and does not imply that Metro will authorize two transfer stations only, or that only the listed facilities would be considered for transfer station status.

Transfer Station Scenario Summaries: “Existing Facilities are Expanded”

The following tables summarize the components of system cost for a scenario in which two regional transfer stations are added to the system. For purposes of scenario construction, Recycle America and WRI were chosen as the sites of the new regional transfer stations. From the tables, costs for the two facilities rise significantly, reflecting: (1) The large amount of additional tonnage that is projected (and the associated increase in capital and operating costs) and (2) the concomitant new public obligations. However, this increase is more than matched by decreased costs at facilities that lose tonnage. Finally, there is a decrease in off-route transportation cost, as would be expected with more accessibility.

- The analysis for the year 2000 shows system savings of \$972,000 if Recycle America and WRI were to operate as regional transfer stations (see table for year 2000 below).
- The analysis for the year 2010 shows system savings of \$1,282,000 (in year 2000 uninflated dollars) if Recycle America and WRI were to operate as regional transfer stations (see table for year 2010 below).

Planning Level System Cost Analysis - Year 2000
(annual costs; not inflated; 2000 dollars)

Component	Status Quo	“Expanded”	Difference
On-Route Transport	NA	NA	NA
Off-Route Transport	\$ 18,720,000	\$ 18,400,000	\$ (320,000)
Recycle America	\$ 1,742,000	\$ 6,409,000	\$ 4,667,000
WRI	\$ 2,310,000	\$ 5,047,000	\$ 2,737,000
Metro facilities	\$ 27,125,000	\$ 21,122,000	\$ (6,003,000)
Other facilities*	\$ 14,164,000	\$ 12,111,000	\$ (2,053,000)
Net cost (benefit)	\$ 64,061,000	\$ 63,089,000	\$ (972,000)

NA = not applicable

* The figure represents the change for all facilities combined

Source: R.W. Beck

Planning Level System Cost Analysis - Year 2010
(annual costs; not inflated; 2000 dollars)

Component	Status Quo	“Expanded”	Difference
On-Route Transport	NA	NA	NA
Off-Route Transport	\$ 22,930,000	\$ 22,370,000	\$ (560,000)
Recycle America	\$ 1,615,000	\$ 7,298,000	\$ 5,683,000
WRI	\$ 2,249,000	\$ 5,749,000	\$ 3,500,000
Metro facilities	\$ 30,372,000	\$ 23,032,000	\$ (7,340,000)
Other facilities*	\$ 17,072,000	\$ 14,507,000	\$ (2,565,000)
Net cost (benefit)	\$ 74,238,000	\$ 72,956,000	\$ (1,282,000)

NA = not applicable

* The figure represents the change for all facilities combined

Source: R.W. Beck

Practical interpretation of this analysis is that these transportation savings can be “bought” for less than the cost of upgrading the two facilities to handle more tonnage and the required public obligations.

The following table is a summary of projected material quantities (tons per year). The table compares the "Status Quo" scenario to the "Existing Facilities are Expanded" scenario previously described. The table illustrates tonnage flow shifts and recovery projections for the years 2000 and 2010 for the existing regional transfer stations and the direct-haul MRFs used in the scenario analysis by R.W. Beck.

**Summary of Projected Material Quantities (tons per year)
Year 2000**

Year 2000	Total wet + dry	Recovered	Disposed
"Status Quo" (Existing system of three regional transfer stations: Central, South and Forest Grove)			
Metro Central	399,964	29,571	37,0392
Metro South	353,529	11,183	342,346
Forest Grove	108,799	1,828	106,971
RA (direct-haul/MRF)	51,923	2,858	49,822
WRI (direct-haul/MRF)	63,632	13,810	49,822
"Expanded System" (Two existing MRFs authorized as regional transfer stations: RA and WRI)			
Metro Central	317,695	25,772	291,923
Metro South	263,937	9,195	254,743
Forest Grove	93,378	1,713	91,665
RA	211,596	18,628	192,969
WRI	144,264	26,518	117,746

**Summary of Projected Material Quantities (tons per year)
Year 2010**

Year 2010	Total wet + dry	Recovered	Disposed
"Status Quo" (Existing system of three regional transfer stations: Central, South and Forest Grove)			
Metro Central	481,988	33,788	448,2000
Metro South	437,578	12,968	424,611
Forest Grove	138,124	2,192	135,932
RA (direct-haul/MRF)	52,829	2,833	49,996
WRI (direct-haul/MRF)	65,113	15,153	49,960
"Expanded System" (Two existing MRFs authorized as regional transfer stations: RA and WRI)			
Metro Central	374,324	29,293	345,031
Metro South	317,065	10,530	306,535
Forest Grove	117,680	2,050	115,630
RA	253,344	21,555	231,789
WRI	178,281	31,115	147,166

As expected, when two additional regional transfer stations are authorized (RA and WRI), tonnages shift from the existing transfer stations (Metro Central, South and Forest Grove) to the newly authorized "expanded" facilities (RA and WRI). There is also a projected increase in material recovery directly related to the policy decision to require minimum recovery standards at new transfer stations. For additional details on scenario modeling, assumptions and tonnage shifts by facility, please refer to the System Impact Assessment report prepared by R.W. Beck, April 25, 2000.

“Service Gaps” Targeted

The following tables summarize the components of system cost for a scenario where two new regional transfer stations are added to the system in order to target the “service gaps” in the eastern and western part of the region. For planning purposes, the western transfer station is assumed to be a new facility located in close proximity to the Hillsboro Landfill. The eastern transfer station is modeled by an expansion of Recycle America into a full regional transfer station.

The “off-route transport” savings are about triple that of the previous scenario where existing facilities are “expanded”, as would be expected when facilities are located specifically to reduce a “service gap”. However, because an entirely new facility must be built in the west (i.e., there is no existing facility to expand or convert), the facility costs swamp the transport savings resulting in a net increase in the system costs.

- The analysis for the year 2000 shows system cost of \$727,000 (see table for year 2000 below).
- The analysis for the year 2010 shows system cost of \$531,000 (see table for year 2010 below).

Planning Level System Cost Analysis - Year 2000

(annual costs; not inflated; 2000 dollars)

Component	Status Quo	“Gaps” Targeted	Difference
On-Route Transport	NA	NA	NA
Off-Route Transport	\$ 18,720,000	\$ 17,720,000	\$ (1,000,000)
New Transfer Station	\$ 0	\$ 7,090,000	\$ 7,090,000
Recycle America	\$ 1,742,000	\$ 6,522,000	\$ 4,780,000
WRI	\$ 2,310,000	\$ 2,310,000	\$ 0
Metro facilities	\$ 27,125,000	\$ 21,322,000	\$ (5,803,000)
Other facilities*	\$ 14,164,000	\$ 9,824,000	\$ (4,340,000)
Net cost (benefit)	\$ 64,061,000	\$ 64,788,000	\$ 727,000

NA = not applicable

** The figure represents the change for all facilities combined*

Source: R.W. Beck

Planning Level System Cost Analysis - Year 2010

(annual costs; not inflated; 2000 dollars)

Component	Status Quo	“Gaps” Targeted	Difference
On-Route Transport	NA	NA	NA
Off-Route Transport	\$ 22,930,000	\$ 21,540,000	\$ (1,390,000)
New Transfer Station	\$ 0	\$ 8,188,000	\$ 8,188,000
Recycle America	\$ 1,615,000	\$ 7,454,000	\$ 5,839,000
WRI	\$ 2,249,000	\$ 2,193,000	\$ (56,000)
Metro facilities	\$ 30,372,000	\$ 23,598,000	\$ (6,774,000)
Other facilities*	\$ 17,072,000	\$ 11,796,000	\$ (5,276,000)
Net cost (benefit)	\$ 74,238,000	\$ 74,769,000	\$ 531,000

NA = not applicable

** The figure represents the change for all facilities combined*

Source: R.W. Beck

Finally, although this cost analysis does not mean a private firm will not build a facility in this location, it points out the cost effectiveness of capitalizing on existing facilities, consistent with the RSWMP objectives for extending and enhancing the infrastructure already in place.

VI. METRO FISCAL IMPACTS

Metro Costs

Metro's costs change as tonnage shifts to new transfer stations. These changes are reflected in costs to operate its two transfer stations, and to transport and dispose of the waste. Generally these costs decline as the waste shifts to the new facilities. Under the scenario where two transfer stations are added to the system, the cost at Metro facilities would decline by over \$7 million (almost \$9.5 million in inflated dollars).

Metro Fiscal Impacts

While overall Metro's costs decline as waste shifts to other facilities, its unit cost (cost per ton) increases. This is due to the declining block rate structure of its transfer station operation and disposal contracts, and the fixed costs charged only at Metro's facilities. Metro's unit cost for the two transfer stations would rise about \$1.70 per ton (\$2.26 in inflated dollars in 2010) under the scenarios above. If Metro makes no changes to its cost or rate structures, this might ultimately have to be reflected in the tip fee.

Conclusion

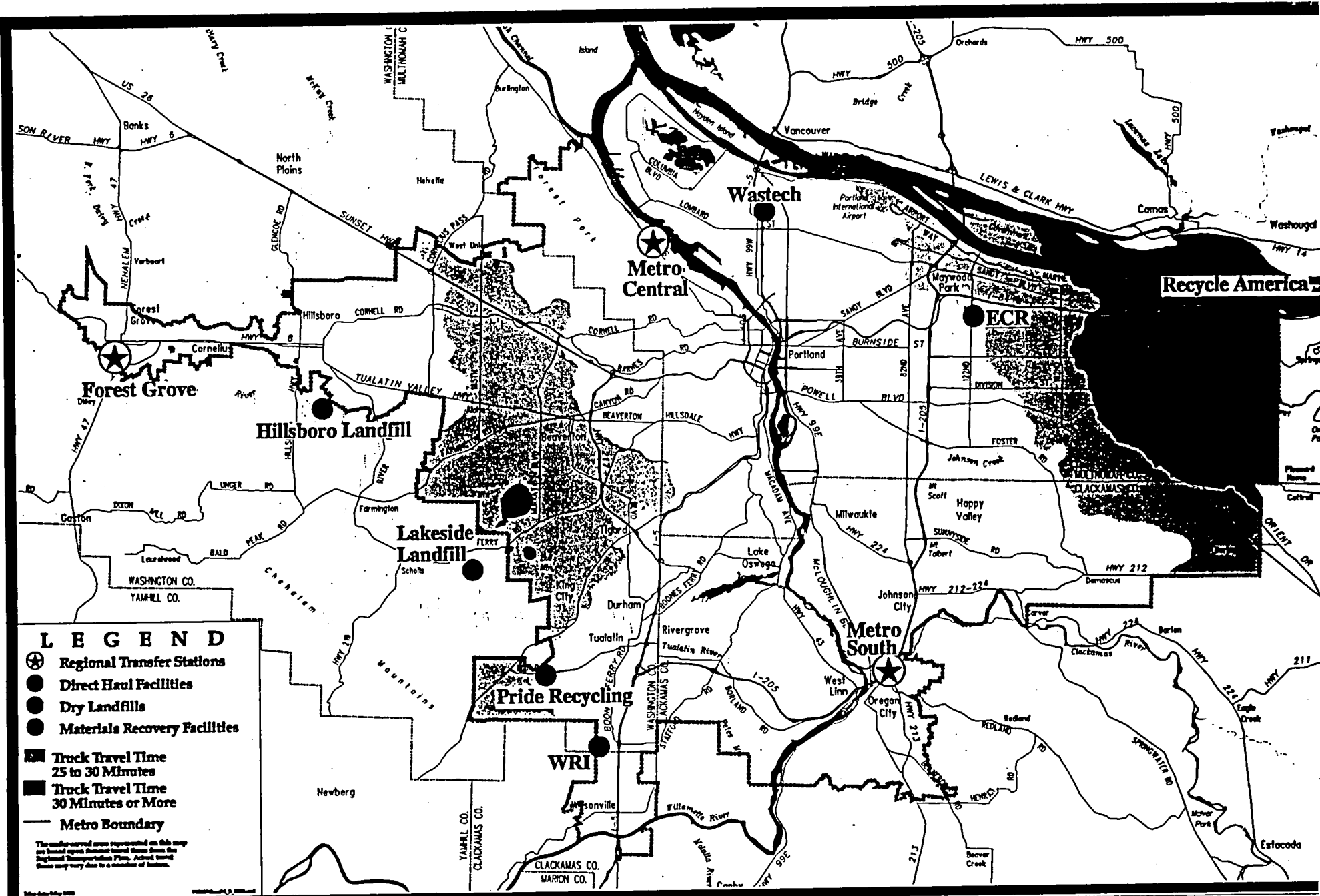
This report recommends that the Regional Solid Waste Management Plan (RSWMP) and Metro's regulatory code (Chapter 5.01) be amended to establish a framework, that would allow Metro to consider authorizing new transfer stations where positive benefits can be demonstrated. New transfer stations, under the appropriate set of circumstances, can provide a positive benefit to the regional solid waste system. Any new transfer stations would be required to provide a full range of public services, including provision of a recycling drop site, accommodating household hazardous waste collection, accepting all customers, and achieving a minimum material recovery rate of 25 percent. Amending the RSWMP and Metro regulations to allow Metro Council to consider applications for adding new transfer stations to the existing solid waste system, requires action on the attached ordinances by the Metro Council.

The amendments proposed under Ordinances No. 00-865, No. 00-866 and No. 00-867 will provide a framework with evaluation criteria, that will implement the recommendations described in this report. These amendments are consistent with the overall goal of the RSWMP which is to continue to develop and implement a Solid Waste Management Plan that achieves a solid waste system that is regionally balanced, environmentally sound, cost-effective, technologically feasible and acceptable to the public.

VIII. EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinances No. 00-865, No. 00-866 and No. 00-867.

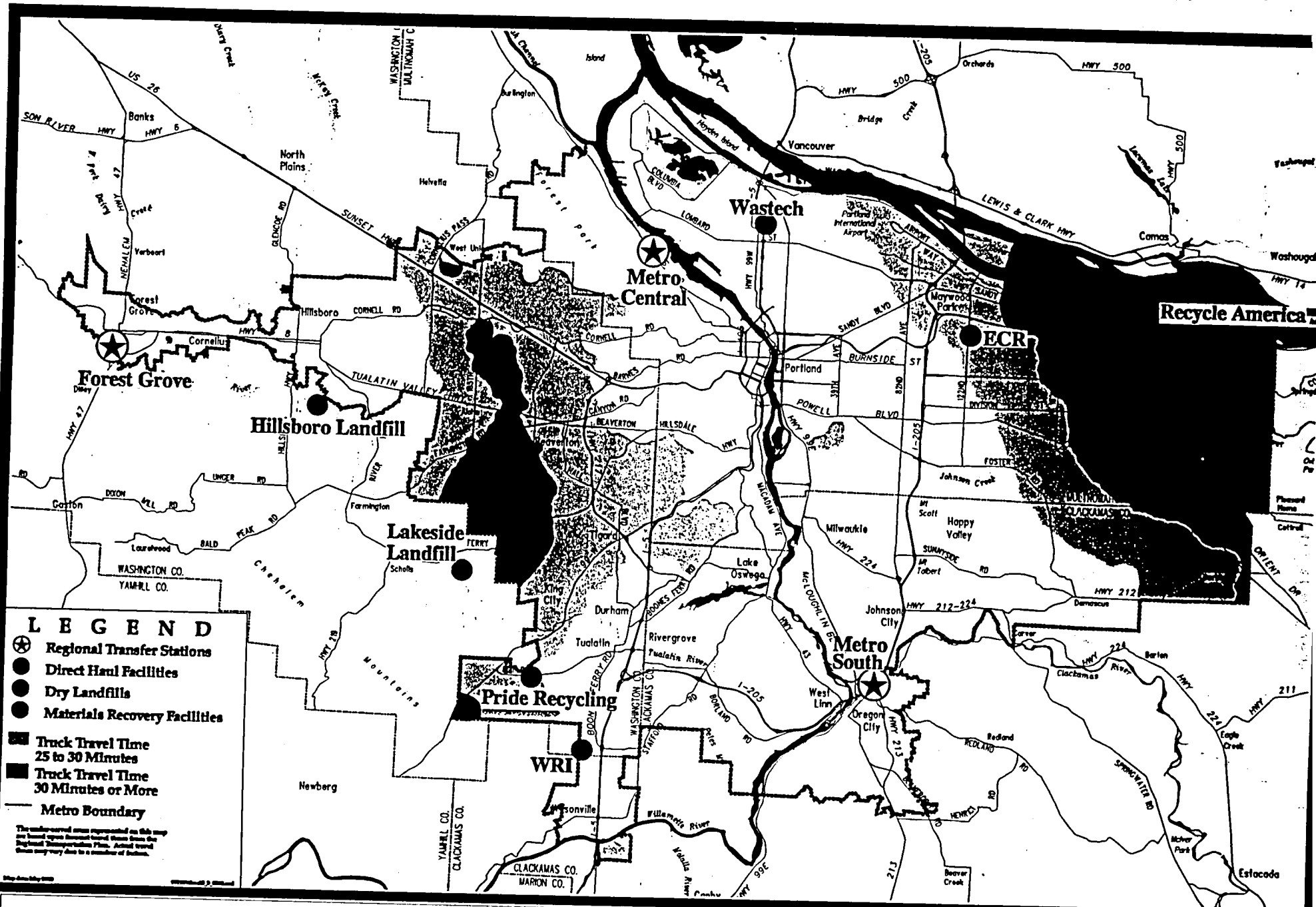
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Travel Time to Existing Regional Transfer Stations (1994)

ATTACHMENT 1(a)





Travel Time to Existing Regional Transfer Stations (2015)

Agenda Item Number 7.2

Ordinance No. 00-866, For the Purpose of Amending Metro Code Chapter 5.01 Related to Solid Waste Facilities.

First Reading

**Metro Council Meeting
Thursday, June 1, 2000
Metro Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) METRO ORDINANCE NO. 00-866
METRO CODE CHAPTER 5.01)
RELATED TO SOLID WASTE) Introduced by
FACILITIES.) Executive Officer Mike Burton

WHEREAS, The Metro Council is considering Ordinance No. 00-865 amending the Regional Solid Waste Management Plan; and

WHEREAS, If such amendments are approved by Metro Council, it is necessary to amend Metro Code Chapter 5.01 to implement these amendments; and

WHEREAS, This ordinance was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

SECTION 1. Metro Code Section 5.01.010 is amended to read:

5.01.010 Definitions

For the purposes of this chapter unless the context requires otherwise the following terms shall have the meaning indicated:

(a) "Activity" means a primary operation or function that is performed in a Solid Waste Facility or at a Disposal Site, including but not limited to Resource Recovery, Composting, Energy Recovery, and other types of Processing; Recycling; Transfer; incineration; and disposal of Solid Waste; but excluding operations or functions such as Segregation that serve to support the primary Activity.

(b) "Agronomic application rate" has the meaning provided in OAR 340-93-030(4)

(c) "Certificate" means the permission given by the Executive Officer to operate certain solid waste Activities

(d) "Cleanup Material Contaminated By Hazardous Substances" means solid waste resulting from the cleanup of releases of hazardous substances into the environment, including petroleum contaminated soils and sandbags from chemical spills. Cleanup Material Contaminated By Hazardous Substances does not mean solid waste generated by manufacturing or industrial processes.

(de) "Code" means the Metro Code.

(ef) "Compost" means the stabilized product of composting.

(fg) "Composting" means the controlled biological decomposition of organic material.

(gh) "Composting Facility" means a site or facility which utilizes organic material to produce a useful product through the process of composting.

(hi) "Council" means the Metro council.

(ij) "DEQ" means the Department of Environmental Quality of the State of Oregon.

(jk) "Direct haul" means the delivery of Putrescible Waste from a Solid Waste Facility directly to Metro's contract operator for disposal of Putrescible Waste. Direct Haul is an Activity under this chapter.

(kl) "Disposal site" means the land and facilities used for the disposal of Solid Wastes whether or not open to the public, but does not include transfer stations or processing facilities.

(lm) "District" has the same meaning as in Code section 1.01.040.

(mn) "Energy recovery" means a type of Resource Recovery that is limited to methods in which all or a part of Solid Waste materials are processed to use the heat content, or other forms of energy, of or from the material.

(no) "Executive officer" means the Metro Executive Officer or the Executive Officer's designee.

(op) "Franchise" means the grant of authority or privilege given by the Council to operate a Disposal Site, a Transfer Station or a Resource Recovery facility.

(pq) "Franchisee" means the person to whom a Franchise is granted by the Council under this chapter.

(qr) "Franchise fee" means the fee charged by the district to the Franchisee for the administration of the Franchise.

(~~r~~s) "Hazardous waste" has the meaning provided in ORS 466.005.

(~~st~~) "Household hazardous waste" means any discarded, useless or unwanted chemical, material, substance or product that is or may be hazardous or toxic to the public or the environment and is commonly used in or around households and is generated by the household. "Household hazardous waste" may include but is not limited to some cleaners, solvents, pesticides, and automotive and paint products.

(~~tu~~) "Inert" means containing only constituents that are biologically and chemically inactive and that, when exposed to biodegradation and/or leaching, will not adversely impact the waters of the state or public health.

(~~uv~~) "License" means the permission given by the Council or Executive Officer to operate a Solid Waste Facility not exempted or requiring a Certificate or Franchise under this chapter that Transfers, and Processes Solid Waste, and may perform other authorized Activities.

(~~w~~v) "Licensee" means the person to whom a License is granted by the Council or Executive Officer under this chapter.

(~~x~~) "Local Transfer Station" means a Transfer Station that delivers each calendar year to Disposal Sites or other Solid Waste Facilities 50,000 or fewer tons of Solid Waste, excluding special waste and recovered materials.

(~~wy~~) "Material recovery" means a type of Resource Recovery that is limited to mechanical methods of obtaining from Solid Waste materials which still have useful physical or chemical properties and can be reused, recycled, or composted for some purpose. Material Recovery includes obtaining from Solid Waste materials used in the preparation of fuel, but excludes the extraction of heat content or other forms of energy from the material.

(~~z~~) "Metro Designated Facility" means a facility in the system of transfer stations, Metro Franchised facilities and landfills authorized under chapter 5.05 of this Title to accept waste generated in the area within the jurisdiction of Metro.

(~~aa~~) "Non-putrescible waste" means any Waste that contains trivial amounts of Putrescible materials. This category includes construction, demolition debris, and land clearing debris; but excludes Source-Separated Recyclable Material whether or not sorted into individual material categories by the generator.

(~~bb~~) "Non-putrescible waste" means any Waste that contains no more than -trivial amounts of Putrescible materials or minor amounts of Putrescible materials contained in such a way that they can be easily separated from the remainder of the load without causing contamination of the load. This category includes construction, demolition debris, and land clearing debris; but excludes Cleanup Materials Contaminated by Hazardous Substances

and Source-Separated Recyclable Material whether or not sorted into individual material categories by the generator.

(zcc) "Person" has the same meaning as in Code section 1.01.040.

(aadd) "Petroleum contaminated soil" means soil into which hydrocarbons, including gasoline, diesel fuel, bunker oil or other petroleum products have been released. Soil that is contaminated with petroleum products but also contaminated with a hazardous waste as defined in ORS 466.005, or a radioactive waste as defined in ORS 469.300, is not included in the term.

(bbee) "Process," "Processing" or "Processed" means a method or system of altering the form, condition or content of Wastes, including but not limited to composting, vermiprocessing and other controlled methods of biological decomposition; classifying; separating; shredding, milling, pulverizing, or hydropulping; but excluding incineration or mechanical volume reduction techniques such as baling and compaction.

(ceff) "Processing facility" means a place or piece of equipment where or by which Solid Wastes are processed. This definition does not include commercial and home garbage disposal units, which are used to process food wastes and are part of the sewage system, hospital incinerators, crematoriums, paper shredders in commercial establishments, or equipment used by a recycling drop center.

(ddgg) "Processing residual" means the Solid Waste destined for disposal which remains after Resource Recovery has taken place.

(eehh) "Putrescible" means rapidly decomposable by microorganisms, which may give rise to foul smelling, offensive products during such decomposition or which is capable of attracting or providing food for birds and potential disease vectors such as rodents and flies.

(ffii) "Putrescible waste" means Waste containing Putrescible material.

(ggjj) "Rate" means the amount approved by the district and charged by the Franchisee, excluding the user fee and franchise fee.

(hhkk) "Recyclable material" means material that still has or retains useful physical, chemical, or biological properties after serving its original purpose(s) or function(s), and that can be reused, recycled, or composted for the same or other purpose(s).

(iill) "Recycling" means any process by which Waste materials are transformed into new products in such a manner that the original products may lose their identity.

(jjmm) "Recycling drop center" means a facility that receives and temporarily stores multiple source separated recyclable materials, including but not limited to glass,

scrap paper, corrugated paper, newspaper, tin cans, aluminum, plastic and oil, which materials will be transported or sold to third parties for reuse or resale.

(~~kknn~~) "Regional Solid Waste Management Plan" means the Regional Solid Waste Management Plan adopted as a functional plan by Council and approved by DEQ.

(oo) "Regional Transfer Station" means a Transfer Station that delivers each calendar year to Disposal Sites or other Solid Waste Facilities more than 50,000 tons of Solid Waste.

(~~llpp~~) "Reload" or "Reload facility" means a facility that performs only Transfer ~~only by means of~~

~~(vv) "Transfer station" means a fixed or mobile facilities including but not limited to drop boxes and gondola cars, but excluding solid waste collection vehicles, normally used as an adjunct of a solid waste collection and disposal system or resource recovery system, between a collection route and a Solid Waste processing facility or a disposal site. This definition does not include solid waste collection vehicles.~~

(~~mmqq~~) "Resource recovery " means a process by which useful material or energy resources are obtained from Solid Waste.

(~~nrrr~~) "Reuse" means the return of a commodity into the economic stream for use in the same kind of application as before without change in its identity.

(~~ooss~~) "Segregation" means the removal of prohibited wastes, unauthorized wastes, bulky material (such as but not limited to white goods and metals) incidental to the Transfer of Solid Waste. Segregation does not include Resource Recovery or other Processing of Solid Waste. The sole intent of segregation is not to separate Useful Material from the Solid Waste but to remove prohibited, unauthorized waste or bulky materials that could be hard to handle by either the facility personnel or operation equipment.

(~~pptt~~) "Solid waste" means all Putrescible and Non-Putrescible Wastes, including without limitation, garbage, rubbish, refuse, ashes, waste paper and cardboard; discarded or abandoned vehicles or parts thereof; sewage sludge, septic tank and cesspool pumpings or other sludge; commercial, industrial, demolition and construction waste; discarded home and industrial appliances; asphalt, broken concrete and bricks; manure, vegetable or animal solid and semi-Solid Wastes, dead animals, infectious waste as defined in ORS 459.386, petroleum-contaminated soils and other wastes; but the term does not include:

- (1) Hazardous wastes as defined in ORS 466.005;
- (2) Radioactive wastes as defined in ORS 469.300;

- (3) Materials used for fertilizer, soil conditioning, humus restoration, or for other productive purposes or which are salvageable for these purposes and are used on land in agricultural operations and the growing or harvesting of crops and the raising of fowls or animals, provided the materials are used at or below agronomic application rates; or
- (4) Explosives.

(~~qq~~uu) "Solid waste facility" means the land and buildings at which Solid Waste is received for Transfer, Resource Recovery, and/or Processing but excludes disposal.

(~~ff~~vv) "Source Separate" or "Source Separated" or "Source Separation" means that the person who last uses recyclable material separates the recyclable material from Solid Waste.

(~~ss~~ww) "Source-separated recyclable material" or "Source-separated recyclables" means material that has been Source Separated for the purpose of Reuse, Recycling, or Composting. This term includes Recyclable Materials that are Source Separated by material type (i.e., source-sorted) and Recyclable Materials that are mixed together in one container (i.e., commingled).

(~~tt~~xx) "System cost" means the sum of the dollar amounts expended for collection, hauling, processing, transfer and disposal of all Solid Waste generated within the District.

(~~uu~~yy) "Transfer" means the Activity of receiving Solid Waste for purposes of transferring the Solid Waste from one vehicle or container to another vehicle or container for transport. Transfer may include segregation, temporary storage, consolidation of Solid Waste from more than one vehicle, and compaction, but does not include Resource Recovery or other Processing of Solid Waste.

(~~vv~~zz) "Transfer station" means a Solid Waste Facility whose primary Activities include, but are not limited to, the Transfer of Solid Waste. ~~fixed or mobile facilities including but not limited to drop boxes and gondola cars normally used as an adjunct of a solid waste collection and disposal system or resource recovery system, between a collection route and a processing facility or a disposal site. This definition does not include solid waste collection vehicles.~~

(~~ww~~aaa) "Useful material" means material that still has or retains useful physical, chemical, or biological properties after serving its original purpose(s) or function(s), and which, when separated from Solid Waste, is suitable for use in the same or other purpose(s). Types of Useful Materials are: material that can be Reused; Recyclable Material; organic material(s) suitable for controlled biological decomposition such as for making Compost; material used in the preparation of fuel; material intended to be used, and which is in fact used, for construction or land reclamation such as Inert

material for fill; and material intended to be used, and which is in fact used, productively in the operation of landfills such as roadbeds or alternative daily cover. For purposes of this Code, Cleanup Material Contaminated By Hazardous Substances are not Useful Materials.

(~~xxx~~bbb) "User fee" means a user fee established by the district under ORS 268.515.

(~~yyy~~ccc) "Vermiprocessing" means a controlled method or system of biological Processing that utilizes worms to consume and digest organic materials, and that produces worm castings for productive uses.

(~~zzz~~ddd) "Waste" means any material considered to be useless, unwanted or discarded by the person who last used the material for its intended and original purpose.

(~~aaa~~eee) "Yard debris" means vegetative and woody material generated from residential property or from commercial landscaping activities. "Yard debris" includes landscape waste, grass clippings, leaves, hedge trimmings, stumps and other vegetative waste having similar properties, but does not include demolition debris, painted or treated wood.

(~~bbb~~fff) "Yard debris facility" means a yard debris processing facility or a yard debris reload facility.

(~~ccc~~ggg) "Yard debris reload facility" means an operation or facility that receives yard debris for temporary storage, awaiting transport to a processing facility.

SECTION 2. Metro Code Section 5.01.040 is amended to read:

5.01.040 Exemptions

(a) In furtherance of the purposes set forth in this chapter, the Metro Council declares the provisions of this chapter shall not apply to:

- (1) Municipal or industrial sewage treatment plants accepting sewage, sludge, septic tank and cesspool pumpings or other sludge;
- (2) Disposal Sites, Transfer Stations, or Solid Waste Facilities owned or operated by the District.
- (3) Facilities that exclusively receive non-Putrescible Source-Separated Recyclable Materials
- (4) Facilities that exclusively receive, process, transfer or dispose of Inert Wastes;

- (5) The following operations, which do not constitute yard debris facilities:
- (A) Persons who generate and maintain residential compost piles for residential garden or landscaping purposes.
 - (B) Residences, parks, community gardens and homeowner associations.
 - (C) Universities, schools, hospitals, golf courses, industrial parks, and other similar facilities, if the landscape waste or yard debris was generated from the facility's own activities, the product remains on the facility grounds, and the product is not offered for off-site sale or use.
 - (D) Operations or facilities that chip or grind wood wastes (e.g. untreated lumber, wood pallets), unless such chipped materials are composted at the site following chipping or grinding.
- (6) Temporary transfer stations or processing centers established and operated by a government for 60 days or less to temporarily receive, store or process Solid Waste if the District finds an emergency situation exists.
- (7) Any Reload facility facilities that deliver:
- (A) Accepts Solid Waste collected under the authority of a single franchise granted by a local government unit, or from multiple franchises so long as the area encompassed by the franchises is geographically contiguous; and
 - (B) Is owned or controlled by the same person granted franchise authority ascribed in subsection (A); and
 - (CA) Delivers any Putrescible Waste accepted at the facility to a Transfer Station owned, operated, Licensed or Franchised by the District; and and
 - (DB) Delivers all other Solid Waste accepted at the facility except Inert Wastes to a Metro Designated Facility authorized to accept said Solid Waste, or to another facility or Disposal Site under authority of a Metro Non-System License issued pursuant to chapter 5.05.

- (8) Persons who own or operate a mobile facility that processes Petroleum Contaminated Soil at the site of origin and retains any treated Petroleum Contaminated Soil on the site of origin.

(b) Notwithstanding section 5.01.040(a)(2) of this chapter, the District shall comply with section 5.01.150, User Fees.

SECTION 3. Metro Code Section 5.01.045 is amended to read:

5.01.045 Certificate, License and Franchise Requirements

(a) A Metro Solid Waste Certificate shall be required of the Person owning or controlling a facility which:

- (1) Processes Non-Putrescible Waste if such processing results in Processing Residual of less than ten percent; or
- (2) Processes Petroleum Contaminated Soil by thermal destruction, distillation, bioremediation, or by any other methods that either destroys or removes and contains such petroleum contamination from the soil.

(b) A Metro Solid Waste License shall be required of the Person owning or controlling a facility at which any of the following Activities are performed:

- (1) Processing of Non-Putrescible Waste that results in Processing Residual of more than ten percent.
- (2) Processing or Reloading of Yard Debris. A local government that owns or operates a yard debris facility may enter into an intergovernmental agreement with Metro under which the local government will administer and enforce yard debris standards at the facility in lieu of compliance with this chapter.
- (3) ~~Operation of a Local Transfer Station of Putrescible Waste, and any other Activity or combination of Activities taking place in the same facility that results in disposal of fewer than 50,000 tons of Solid Waste including Processing Residual during any calendar year.~~
- (4) Operation of a Reload unless exempt under section 5.01.040(a)(7) of this chapter.

(c) A Metro Solid Waste Franchise shall be required for the Person owning or controlling a facility at which any of the following Activities are performed:

- (1) ~~Operation of a Regional Transfer Station. of Putrescible Waste, and any other Activity or combination of Activities taking place in the same facility that results in disposal of more than 50,000 tons of Solid Waste including Processing Residual during any calendar year.~~
- (2) Operation of a Disposal Site or of an Energy Recovery Facility.
- (3) Any process using chemical or biological methods whose primary purpose is reduction of Solid Waste weight or volumes.
- (4) Delivery of Putrescible Waste directly from the facility to any Disposal Site.~~Metro's contract operator for disposal of Putrescible Waste.~~
- (5) Any other Activity not listed in this section, or exempted by Metro Code section 5.01.040.

SECTION 4. Metro Code Section 5.01.060 is amended to read:

5.01.060 Applications for Certificates, Licenses or Franchises

(a) Applications for a Certificate, Franchise or License or for renewal of an existing Certificate, Franchise or License shall be filed on forms or in the format provided by the Executive Officer.

(b) In addition to any information required on the forms or in the format provided by the Executive Officer, all applications shall include a description of the Activities proposed to be conducted and a description of Wastes sought to be accepted.

(c) In addition to the information required on the forms or in the format provided by the Executive Officer, applications for a License or Franchise shall include the following information to the Executive Officer:

- (1) Proof that the applicant can obtain the types of insurance specified by the Executive Officer during the term of the Franchise or License;
- (2) A duplicate copy of all applications for necessary DEQ permits and any other information required by or submitted to DEQ;
- (3) A duplicate copy of any closure plan required to be submitted to DEQ, or if DEQ does not require a closure plan, a closure document describing closure protocol for the Solid Waste Facility at any point in its active life;

- (4) A duplicate copy of any documents required to be submitted to DEQ demonstrating financial assurance for the costs of closure, or if DEQ does not require such documents, proof of financial assurance for the costs of closure of the facility;
- (5) Signed consent by the owner(s) of the property to the proposed use of the property. The consent shall disclose the property interest held by the Licensee or Franchisee, the duration of that interest and shall include a statement that the property owner(s) have read and agree to be bound by the provisions of section 5.01.180(e) of this chapter if the License or Franchise is revoked or any License or Franchise renewal is refused;
- (6) Proof that the applicant has received proper land use approval; or, if land use approval has not been obtained, a written recommendation of the planning director of the local governmental unit having land use jurisdiction regarding new or existing disposal sites, or alterations, expansions, improvements or changes in the method or type of disposal at new or existing disposal sites. Such recommendation may include, but is not limited to a statement of compatibility of the site, the Solid Waste Disposal Facility located thereon and the proposed operation with the acknowledged local comprehensive plan and zoning requirements or with the Statewide Planning Goals of the Land Conservation and Development Commission; and
- (7) Identify any other known or anticipated permits required from any other governmental agency. If application for such other permits has been previously made, a copy of such permit application, and any permit that has been granted shall be provided.

(d) ~~An application for to deliver more than 50,000 tons per calendar year of Solid Waste to a Transfer Station or Disposal Site from a non-exempt facility that is authorized to accept Putrescible Waste~~ shall be accompanied by an analysis showing that the proposed facility is consistent with the Regional Solid Waste Management Plan.

(e) A person holding or making application for a Solid Waste Facility License or Franchise from Metro authorizing receipt of Putrescible Waste may make application to deliver Putrescible Waste directly to Metro's contract operator for disposal of Putrescible Waste. Said application must be accompanied by: (A) a showing that the proposed Direct Haul authorization is consistent with the Regional Solid Waste Management Plan, and (B) an analysis of the System Costs with and without the authorization for Direct Haul from the Solid Waste Facility.

SECTION 5. Metro Code Section 5.01.125 is amended to read:

5.01.125 Obligations and Limits for Selected Types of Activities

(a) A holder of a Certificate, License or Franchise ~~authorized to perform for a Material Recovery facility, Reload or Local Transfer Station, or a holder of a Franchise issued after July 1, 2000 for a Regional Transfer Station~~ shall perform Material Recovery from Non-Putrescible Waste accepted at the facility, or shall deliver Non-Putrescible Waste to a Solid Waste facility whose primary purpose is to recover useful materials from Solid Waste.

(b) A holder of a Certificate, License or Franchise for a Material Recovery facility or Local Transfer Station, or a holder of a Franchise issued after July 1, 2000 for a Regional Transfer Station, shall recover at least 25% by weight of non-putrescible waste accepted at the facility and waste delivered by public customers. Failure to maintain the minimum recovery rate specified in this section shall constitute a violation enforceable under Metro Code section 5.01.180 and 5.01.200.

~~(cb) In addition to the requirements of (a) and (b) in this subsection, holders of a Licensees or Franchisees for a Local Transfer Station: who deliver 50,000 or fewer tons per calendar year of Solid Waste to all Transfer Stations and Disposal Sites from a Solid Waste Facility authorized to accept Putrescible Waste:~~

(1) Shall accept Putrescible Waste originating within the Metro boundary only from persons who are franchised or permitted by a local government unit to collect and haul Putrescible Waste.

(2) Shall not accept hazardous waste.

~~(c) In addition to the requirements of (a) and (b) in this subsection, holders of a Franchisees for a Regional Transfer Station issued after July 1, 2000: who deliver more than 50,000 tons per calendar year of Solid Waste to all Transfer Stations and Disposal Sites from a Solid Waste Facility authorized to accept Putrescible Waste:~~

(1) Shall accept authorized Solid Waste originating within the Metro boundary from any person who delivers authorized waste to the facility, on the days and at the times established by Metro in approving the Franchise application.

(2) Shall provide an area for collecting Household Hazardous Waste from residential generators at the Franchised Solid Waste Facility, or at another location more convenient to the population being served by the franchised Solid Waste Facility, on the days and at the times established by Metro ~~the Executive Officer~~ in approving the Franchise application.

(3) Shall provide an area for collecting source-separated recyclable materials without charge at the Franchised Solid Waste Facility, or at another location more convenient to the population being served by the franchised Solid Waste Facility, on the days and at the times established by ~~Metro the Executive Officer~~ in approving the Franchise application.

SECTION 6. Metro Code Section 5.01.150 is amended to read:

5.01.150 User Fees

(a) Notwithstanding section 5.01.040(a)(2) of this chapter, the Council ~~shall~~ ~~will~~ set user fees annually, and more frequently if necessary, which fees shall apply to Solid Waste Facilities or Disposal Sites which are owned, operated, Certified, Licensed, or Franchised by the district or which are liable for payment of user fees pursuant to a special agreement with the district.

(b) User fees shall not apply to:

(1) Solid waste received at facilities that are certified, licensed, franchised or exempt from regulation under this Chapter, other than any Disposal Sites or Transfer Stations that are not subject to the requirements of section 5.01.125(a) Non-putrescible Wastes accepted at a Franchised or Licensed Solid Waste Facility that is authorized to perform only Materials Recovery or Recycling Activities; or

(2) Cleanup Material Contaminated By Hazardous Substances Petroleum Contaminated Soils accepted at Certified facilities that treat said Cleanup Material Contaminated By Hazardous Substances petroleum contaminated soil to applicable DEQ standards; or

(3) Source-separated yard debris accepted at Licensed yard debris processing facilities or yard debris reload facilities; or

~~(4) Wastes accepted at a Licensed or Franchised Solid Waste Facility that delivers Putrescible Waste to a Transfer Station owned, operated, Licensed or Franchised by the District, or to the District's contract operator for the disposal of Putrescible Waste; and that delivers Non-Putrescible Waste and Processing Residuals to: (A) a Licensed or Franchised facility that is authorized to perform Materials Recovery or Recycling Activities, or (B) to a Solid Waste Facility or Disposal Site listed as a Metro Designated~~

~~Facility in chapter 5.05, or (C) another facility or Disposal Site under authority of a Metro Non-System License issued pursuant to chapter 5.05, provided that the Person holding the Non-System License and License or Franchise pays all fees and taxes required by this Code; or~~

(45) Useful Material that is accepted at a Disposal Site that is listed as a Metro Designated Facility in chapter 5.05 or accepted at a Disposal Site under authority of a Metro Non-System License issued pursuant to chapter 5.05, provided that the Useful Material: (A) is intended to be used, and is in fact used, productively in the operation of the Disposal Site such as for roadbeds or alternative daily cover; and (B) is accepted at the Disposal Site at no charge; or

(5) Processing Residual produced by any tire processor that is regulated pursuant to this chapter and that sorts, classifies or processes used tires into fuel or other products, provided said Processing Residual conforms to Environmental Quality Commission standards established pursuant to ORS 459.710(2). This exemption is only granted to the extent, and under the terms, specified in the Metro certificate, license or franchise.

(c) Notwithstanding any other provisions of this Code, user fees shall apply to Cleanup Material Contaminated By Hazardous Substances that is derived from an environmental cleanup of a nonrecurring event, and delivered to any Solid Waste System Facility authorized to accept such substances. Such Cleanup Materials Contaminated By Hazardous Substances may be subject to credits against user fees pursuant to sections 5.02.047(c) and (d) of this Code. ~~petroleum-contaminated soils disposed of by landfilling.~~

(d) User fees shall be in addition to any other fee, tax or charge imposed upon a Solid Waste Facility or Disposal Site.

(e) User fees shall be separately stated upon records of the Solid Waste Facility or Disposal Site.

(f) User fees and finance charges on user fees shall be paid as specified in Metro Code section 5.02.055.

(g) There is no liability for user fees on charge accounts that are worthless and charged off as uncollectible, provided that an affidavit is filed with the district stating the name and amount of each uncollectible charge account and documenting good faith efforts that have been made to collect the accounts. User fees may not be deemed uncollectible unless the underlying account is also uncollectible. If the fees have previously been paid, a deduction may be taken from the next payment due to the district for the amount found worthless and charged off. If any such account is thereafter

collected, in whole or in part, the amount so collected shall be included in the first return filed after such collection, and the fees shall be paid with the return.

(h) All user fees shall be paid in the form of a remittance payable to the district. All user fees received by the district shall be deposited in the solid waste operating fund and used only for the administration, implementation, operation and enforcement of the Regional Solid Waste Management Plan.

(i) Certificate, License or Franchise holders are eligible to apply for and receive Regional System Fee Credits pursuant to section 5.02.047 of the Metro Code.

ADOPTED by the Metro Council this _____ day of _____, 2000.

David Bragdon, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

EXECUTIVE SUMMARY
ORDINANCE NO. 00-866 AND ORDINANCE NO. 00-867
AMEND METRO CODE RELATED TO FACILITIES AND SYSTEM FEE CREDITS

PROPOSED ACTIONS

Adopt Ordinances No. 00-866 and No. 00-867, which amend the Metro Code Chapters 5.01 and 5.02, respectively, to implement the guiding policies contained in the RSWMP amendments under Ordinance No. 00-865 related to disposal sites.

WHY NECESSARY

- If Council were to approve amendments to the Regional Solid Waste Management Plan consistent with the option laid out in Ordinance No. 00-865, then Metro could begin considering applications for “large” transfer stations. To implement this change, Metro Code would be amended to formally define a “Regional Transfer Station,” to re-affirm the obligations currently specified in Metro Code for “large” transfer stations, and to include a minimum recovery rate requirement of 25% from non-putrescible waste.
- The recovery requirements would also be imposed on local transfer stations and MRFs, primarily for equity; but also to strengthen the effect of the policy by minimizing the number of alternatives that are not subject to the recovery requirement.
- The proposed revisions to the Code definitions clarifies the purpose, obligations and limits of specific solid waste facilities: reloads, local transfer stations and regional transfer stations.

ISSUES / CONCERNS

- This recovery rate reflects a balance between a number that is real and achievable at a solid waste facility, and a concern that too-high a standard might provide a disincentive to serve source-separation programs.
- The proposed amendments maintain a distinction between types of solid waste facilities, and specifies the level of public obligations and operating conditions that would be required of them.

BUDGET / FINANCIAL IMPACTS

- Metro’s costs change as tonnage shifts to new transfer stations. These changes are reflected in costs to operate its two transfer stations, and to transport and dispose of the waste. Generally these costs decline as the waste shifts to the new facilities. Under the scenario where two transfer stations are added to the system, the cost at Metro facilities would decline by over \$7 million (almost \$9.5 million in inflated dollars).
- While overall Metro’s costs decline as waste shifts to other facilities, its unit cost (cost per ton) increases. This is due to the declining block rate structure of its transfer station operation and disposal contracts, and the fixed costs charged only at Metro’s facilities. Metro’s unit cost for the two transfer stations would rise about \$1.70 per ton (\$2.26 in inflated dollars in 2010) under the scenarios above. If Metro makes no changes to its cost or rate structures, this might ultimately have to be reflected in the tip fee.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 00-866 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.01 RELATED TO SOLID WASTE FACILITIES.

DATE: June 1, 2000

Presented by: Terry Petersen
Doug Anderson

Action Requested and Purpose of the Ordinance

The Metro Council is considering Ordinance No. 00-865, which would amend the Regional Solid Waste Management Plan regarding disposal facilities.

If these Plan amendments are adopted, it is also necessary to amend Metro Code Chapter 5.01, "Solid Waste Facility Regulation," to implement these amendments.

Please see the staff report for Ordinance No. 00-865 for the relationship between this Ordinance No. 00-866 and the Plan amendments.

The Council is requested to adopt Ordinance No. 00-866 if the Council adopts Ordinances, No. 00-865.

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Agenda Item Number 7.3

Ordinance No. 00-867, For the Purpose of Amending Metro Code Chapter 5.02 Related to Regional System Fee Credits and Making other related changes.

First Reading

Metro Council Meeting
Thursday, June 1, 2000
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) METRO ORDINANCE NO. 00-867
METRO CODE CHAPTER 5.02)
RELATED TO REGIONAL SYSTEM) Introduced by
FEE CREDITS AND MAKING) Executive Officer Mike Burton
RELATED CHANGES)

WHEREAS, The Metro Council is considering Ordinance No. 00-865 amending the Regional Solid Waste Management Plan; and

WHEREAS, The Metro Council is considering Ordinance No. 00-866 amending Metro Code Chapter 5.01 to implement the changes in Ordinance No. 00-865; and

WHEREAS, If such amendments are approved by Metro Council, it is necessary to amend Metro Code Chapter 5.02 for consistency with these changes; and

WHEREAS, This ordinance was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

SECTION 1. Section 2 is added to and made a part of Metro Code Chapter 5.02.015.

SECTION 2(a).

"Solid waste system facility" shall have the meaning assigned thereto in Metro Code section 7.01.010.

SECTION 2(b).

"Cleanup Material Contaminated By Hazardous Substances" means solid waste resulting from the cleanup of releases of hazardous substances into the environment, including petroleum contaminated soils and sandbags from chemical spills. Cleanup Material Contaminated By Hazardous Substances does not mean solid waste generated by manufacturing or industrial processes.

SECTION 3. Metro Code Section 5.02.045 is amended to read:

5.02.045 System Fees

(a) Regional System Fee: Solid waste system disposal-facility operators shall collect and pay to Metro a Regional System Fee of \$21.90 per ton for the disposal of solid waste generated, originating, collected, or disposed of within Metro boundaries, in accordance with Metro Code section 5.01.150.

(b) Metro Facility Fee: Metro shall collect a Metro Facility Fee of \$2.55 per ton for all solid waste delivered to Metro Central Station or Metro South Station.

(c) System fees described in paragraph (a) shall not apply to exemptions listed in Section 5.01.150(b) of this Code. :

- ~~(1) Inert material, including but not limited to earth, sand, stone, crushed stone, crushed concrete, broken asphaltic concrete and wood chips used at disposal facilities for cover, diking, road base, or other productive use at such solid waste disposal facilities;~~
- ~~(2) Solid waste received at facilities which are licensed, franchised or exempt from regulation under Metro Code Chapter 5.01 and which accomplish materials recovery and recycling as a primary operation; or~~
- ~~(3) Solid waste received at Transfer Facilities which deliver such wastes to a Metro owned, licensed, franchised, or designated facility where Metro fees are collected and paid to Metro.~~

SECTION 4. Metro Code Section 5.02.047 is amended to read:

5.02.047 Regional System Fee Credits

(a) A solid waste facility which is certified, licensed or franchised by Metro pursuant to Metro Code Chapter 5.01 and which attains a Facility Retrieval Rate of 10 percent or greater shall be allowed a credit against the Regional System Fee otherwise due each month under Section 5.02.045 for disposal of Processing Residuals from the facility. The Facility Retrieval Rate and the Recovery Rate shall be calculated for each six-month period before the month in which the credit is claimed. The amount of such credit shall be in accordance with and no greater than as provided on the following table:

System Fee Credit Schedule

Recovery Rate		System Fee Credit of no more than
From Above	Up To & Including	
0%	20 24.99%	0.00
20 24.99%	25 30%	1.00 3.00
30%	35%	6.46
35%	40%	8.00
40%	45%	9.82
45%	100%	12.00

(b) The Executive Officer may establish additional administrative procedures regarding the Regional System Fee Credits, including, but not limited to establishing eligibility requirements for such credits and establishing incremental System Fee Credits associated with Recovery Rates which fall between the ranges set forth in paragraph (a) of this section.

(c) The following users of Metro solid waste system facilities shall be allowed a credit in the amount of \$9 per ton against the Regional System Fee otherwise due under Section 5.02.045(a):

- (1) Users of Metro Central and Metro South Transfer Stations;
- (2) Any Person delivering authorized waste:
 - (A) to any landfill or other solid waste facility that is authorized to receive such waste through a Metro license, certificate, franchise or Designated Facility Agreement; or
 - (B) under the authority of a Metro Non-System License.

(d) Any person delivering Cleanup Material Contaminated By Hazardous Substances that is derived from an environmental cleanup of a nonrecurring event, and delivered to any Solid Waste System Facility authorized to accept such substances shall be allowed a credit in the amount of \$10.40 against the Regional System Fee otherwise due under Section 5.02.045(a) of this Chapter.

ADOPTED by the Metro Council this _____ day of _____, 2000.

David Bragdon, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

EXECUTIVE SUMMARY
ORDINANCE NO. 00-866 AND ORDINANCE NO. 00-867
AMEND METRO CODE RELATED TO FACILITIES AND SYSTEM FEE CREDITS

PROPOSED ACTIONS

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WHY NECESSARY

- If Council were to approve amendments to the Regional Solid Waste Management Plan consistent with the option laid out in Ordinance No. 00-865, then Metro could begin considering applications for “large” transfer stations. To implement this change, Metro Code would be amended to formally define a “Regional Transfer Station,” to re-affirm the obligations currently specified in Metro Code for “large” transfer stations, and to include a minimum recovery rate requirement of 25% from non-putrescible waste.
- The recovery requirements would also be imposed on local transfer stations and MRFs, primarily for equity; but also to strengthen the effect of the policy by minimizing the number of alternatives that are not subject to the recovery requirement.
- The proposed revisions to the Code definitions clarifies the purpose, obligations and limits of specific solid waste facilities: reloads, local transfer stations and regional transfer stations.

ISSUES / CONCERNS

- This recovery rate reflects a balance between a number that is real and achievable at a solid waste facility, and a concern that too-high a standard might provide a disincentive to serve source-separation programs.
- The proposed amendments maintain a distinction between types of solid waste facilities, and specifies the level of public obligations and operating conditions that would be required of them.

BUDGET / FINANCIAL IMPACTS

- Metro’s costs change as tonnage shifts to new transfer stations. These changes are reflected in costs to operate its two transfer stations, and to transport and dispose of the waste. Generally these costs decline as the waste shifts to the new facilities. Under the scenario where two transfer stations are added to the system, the cost at Metro facilities would decline by over \$7 million (almost \$9.5 million in inflated dollars).
- While overall Metro’s costs decline as waste shifts to other facilities, its unit cost (cost per ton) increases. This is due to the declining block rate structure of its transfer station operation and disposal contracts, and the fixed costs charged only at Metro’s facilities. Metro's unit cost for the two transfer stations would rise about \$1.70 per ton (\$2.26 in inflated dollars in 2010) under the scenarios above. If Metro makes no changes to its cost or rate structures, this might ultimately have to be reflected in the tip fee.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 00-867 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.02 RELATED TO REGIONAL SYSTEM FEE CREDITS AND MAKING RELATED CHANGES.

DATE: June 1, 2000

Presented by: Terry Petersen
Doug Anderson

Action Requested and Purpose of the Ordinance

The Metro Council is considering Ordinance No. 00-865, which would amend the Regional Solid Waste Management Plan regarding disposal facilities; and Ordinance No. 00-866, which would amend Metro Code Chapter 5.01, "Solid Waste Facility Regulation," to implement these amendments.

If these Plan amendments and Code changes are adopted, it is also necessary to amend Metro Code Chapter 5.02, "Disposal Charges and User Fees," for consistency with the changes to Chapter 5.01. Specifically:

- Minimum recovery rates are imposed on solid waste facilities, and the Region System Fee credit schedule is amended to reflect the minimum.
- Certain materials are used beneficially at solid waste disposal sites, and Region System Fee credits are created to encourage this practice.

Please see the staff report for Ordinance No. 00-865 for the relationship between this Ordinance No. 00-867 and the other two companion ordinances.

The Council is requested to adopt Ordinance No. 00-867 if the Council adopts the two companion ordinances, No. 00-865 and No. 00-866.

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Agenda Item Number 8.1

Resolution No. 00-2943, For the Purpose of Authorizing Amendment Number Four of the Personal Services Agreement with Pac/West Communications.

**Metro Council Meeting
Thursday, June 1, 2000
Metro Council Chamber**

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 00-2943
AMENDMENT NUMBER 4 OF THE)
PERSONAL SERVICES AGREEMENT WITH) Introduced by
PAC/WEST COMMUNICATIONS) Executive Officer Mike Burton

WHEREAS, Presiding Officer Rod Monroe entered into a Personal Services Agreement with Pac/West Communications, effective September 14, 1998 through June 30, 1999 and subsequently amended through June 30, 2000, for legislative affairs; and

WHEREAS, Pac/West Communications was selected as Metro's legislative affairs contractor pursuant to a competitive process; and

WHEREAS, Metro Council and the Executive Officer desire to increase the amount of the Pac/West Communications Personal Services Agreement to provide for legislative affairs services to June 30, 2000; and

WHEREAS, Metro's legislative affairs contract will be re-bid in a competitive process in the fall of 2000; now, therefore,

BE IT RESOLVED:

That the Metro Contract Review Board authorizes the Executive Officer to enter into Amendment No. 4 to the Personal Services Agreement with Pac/West Communications as shown in Exhibit A.

ADOPTED by the Metro Contract Review Board this ____ day of _____ 2000.

David Bragdon, Presiding Officer

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel

I:SM/PacWest

Resolution No. 00-2943

Exhibit "A"

AMENDMENT NO. 4 PERSONAL SERVICES AGREEMENT BETWEEN METRO AND PAC/WEST COMMUNICATIONS

This Amendment No. 4 to Personal Services Agreement (Agreement), hereby amends the above-titled Agreement between METRO, a metropolitan service district (Metro), and PAC/WEST COMMUNICATIONS, hereinafter referred to as "Contractor."

1. Contractor is presently performing and will continue to perform the services described in the original Agreement and Amendment Nos. 1, 2 and 3.
2. Metro and Contractor agree that the maximum contract price shall be increased by the amount of \$22,000.00, to a new maximum price of \$156,000.00.
3. The termination date of the original contract remains June 30, 2000.
4. This Agreement is a change order to the original Scope of Work as follows:

Contractor will work to expand Metro's distribution of information to and communication with federal legislators, especially those from Oregon and the Pacific Northwest. This will include meeting with legislators, their staff, and key committee members, forwarding material outlining Metro efforts and priorities, scheduling meetings for federal legislators and staff to tour the Metro facility, and general monitoring of legislation that might impact Metro and its programs. Contractor will meet with the delegation and its staff on a quarterly basis, and work with Metro staff to set up possible visits by the Metro Executive Officer and Metro Council with the delegation. Contractor will maintain regular contact with the contract manager and will provide updates for the Metro Executive and the Metro Council as requested. In addition to solid waste and flow control issues, Contractor will monitor issues such as:

- The Endangered Species Act
- Land Conservation Programs
- Stream/Habitat Restoration Projects
- Parks and Open Spaces Funding and Issues
- Economic Development Opportunities
- Federal Transportation Activities
- Housing and Community Connectivity
- Other Federal Activities

Except for the above, all other conditions and covenants remain in full force and effect.

In Witness to the above, the following duly authorized representatives of the parties referenced have executed this Agreement.

PAC/WEST COMMUNICATIONS

METRO

Signature

Signature

Print Name & Title

Print Name and Title

Date

Date

Exhibit "A"

AMENDMENT NO. 4 PERSONAL SERVICES AGREEMENT BETWEEN METRO AND PAC/WEST COMMUNICATIONS

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- Economic Development Opportunities
- Federal Transportation Activities
- Housing and Community Connectivity
- Other Federal Activities

Except for the above, all other conditions and covenants remain in full force and effect.

In Witness to the above, the following duly authorized representatives of the parties referenced have executed this Agreement.

PAC/WEST COMMUNICATIONS

METRO

Signature

Signature

Print Name & Title

Print Name and Title

Date

Date

STATE & FEDERAL LEGISLATIVE AGENDA COMMITTEE REPORT
CONSIDERATION OF RESOLUTION NO. OO-2943, FOR THE PURPOSE OF
AUTHORIZING AMENDMENT NUMBER 4 OF THE PERSONAL SERVICES
AGREEMENT WITH PAC/WEST COMMUNICATIONS

Date: May 24, 2000

Presented by: Councilor McLain

Committee Action: At its May 23, 2000 meeting, the State & Federal Legislative Agenda Committee voted 3-0 to move Resolution 00-2943 to Council with no recommendation. Voting in favor: Councilors Atherton, Park and McLain.

Background: Metro entered into a personal services contract with Pac/West Communications in September of 1998 for legislative affairs services at the state level. The contract has subsequently been amended three times. Amendment #4 involves an increase in the scope of work to include tracking, education and communication assistance on certain issues identified in Exhibit A, at the federal level. This work has been directed to take place prior to the termination date of the existing contract, which is June 30, 2000. The contract amendment is for \$22,000, increasing the total amount of the contract to \$156,000.

- Existing Law: Contract amendments of over \$25,000 require Council approval. Although this amendment is for less than \$25,000, in aggregate the 4 amendments to this contract are for more than \$25,000.
- Budget Impact: The \$22,000 revenue needed to amend this contract is budgeted in the Public Affairs and Government Relations section of the Office of the Executive.

Committee Issues/Discussion: Bruce Warner, Chief Operating Office, gave the staff presentation. He expressed satisfaction with the work Pac/West has been doing, and indicated that the current workload of Pac/West is directed approximately 1/3 to federal issues and 2/3 to state issues. In addition to the background information listed above, he pointed out that the intention is to put these services out for bid this fall, or possibly even sooner. The committee expressed interest in that bid process. Councilor Atherton expressed some frustration in being able to gauge the value of this contract to Metro, including the amendment in question, without further information. Councilor Park requested further information with relation to prior contract amendments, and so moved the resolution to Council with no recommendation.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 00-2943 FOR THE PURPOSE OF AUTHORIZING AMENDMENT NUMBER 4 OF THE PERSONAL SERVICES AGREEMENT WITH PAC/WEST COMMUNICATIONS

Date: May 9, 2000

Prepared by: Scott Moss

PROPOSED ACTION: Would amend the existing Personal Services Agreement with Pac/West Communications for legislative affairs. The amendment would increase the contract by \$22,000, and the total contract amount would become \$156,000.00.

EXISTING LAW: Metro Code 2.04.046 requires Personal Services contract amendments over \$25,000 be approved by the Metro Contract Review Board.

BACKGROUND: Metro secured the services of Pac/West Communications beginning September 1, 1998 for assistance for the 1999 Legislature. Pac/West Communications worked well with Metro officials and staff in developing a successful strategy for Metro during the 1999 Legislative Session. The current contract with Pac/West expires on June 30, 2000, however during the term of the contract, the contractor has been asked to do additional work, which has resulted in additional expense to the contractor. This contract amendment would fund those additional expenses through June 30, 2000.

The Presiding Officer and Executive Officer have reviewed the services provided by Pac/West during this period and recommend that the Council authorize the extension of Pac/West Communications' contract for the remainder of this fiscal year. Pac/West will provide assistance on interim committee work being conducted by the Oregon Legislature, several federal issues and activities, and will begin preparation work for the 2000-2001 Oregon State Legislative Session.

It is anticipated that proposals for legislative services will be solicited in the fall of 2000, with the intention that the successful proposer would begin on January 1, 2001.

BUDGET IMPACT: Resources are budgeted in Public Affairs and Government Relations through June, 2000.

RECOMMENDED ACTION: The Executive Officer recommends approval of Resolution 00-2943.

MINUTES OF THE METRO COUNCIL MEETING

May 25, 2000

Metro Council Chamber

Councilors Present: David Bragdon (Presiding Officer), Susan McLain, Ed Washington, Rod Park, Bill Atherton, Jon Kvistad

Councilors Absent: Rod Monroe

Presiding Officer Bragdon convened the Regular Council Meeting at 2:00 pm.

1. INTRODUCTIONS

Councilor Kvistad introduced Councilor-elect Carl Hosticka, who will represent District 3.

2. CITIZEN COMMUNICATIONS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

None.

4. AUDITOR COMMUNICATIONS

None.

5. MPAC COMMUNICATIONS

Councilor Park summarized the meeting of last night [May 24, 2000]. The substantive issues were 1) a motion directed to the Council to go slower on Goal 5 timeline; 2) a discussion of the affordable housing report, including a discussion of the meaning of tables illustrating fair share, housing in stock versus the numbers in the table. He said more information would be forthcoming. A subcommittee on Goal 5 met and would continue to meet.

6. CONSENT AGENDA

6.1 Consideration of minutes of the May 11, 2000 Regular Council Meeting.

Motion: Councilor Washington moved to adopt the meeting minutes of May 11, 2000, Regular Council meeting.

Seconded: Councilor McLain seconded the motion.

Vote: The vote was 6 aye/ 0 nay/ 0 abstain. The motion passed, with Councilor Monroe absent from the vote.

7. ORDINANCES –SECOND READING

7.1 Ordinance No. 00-851A, For the Purpose of Amending the Regional Solid Waste Management Plan Regarding Goals, Objectives, and Recommended Strategies for the Management of Household Hazardous Wastes.

Motion: Councilor Park moved to adopt Ordinance No. 00-851A.

Seconded: Councilor Washington seconded the motion.

Councilor Park said that this ordinance had been reviewed and amended by the REM committee. He thanked the REM staff for addressing issues he had concerns about and Mr. Chris Kirby from the Oregon Department of Agriculture, who worked with the REM staff to ensure that this ordinance would not infringe on state pesticide laws. The Regional Solid Waste Management Plan (RSWMP) addresses disposal of hazardous waste in the interest of protecting health, safety, and the environment. Passing this ordinance would update the RSWMP.

Councilor McLain thanked Mr. Park for bringing clarity to the document. She had been concerned about Metro's striking a balance between respecting state authority and providing continued leadership in encouraging use of alternatives to hazardous materials.

Motion to

Amend:

Councilor Park moved to amend Ordinance No. 00-851A, to read "...utilizing education methods that are shown to effectively teach proper use, transport, storage, and disposal practices."

Seconded: Councilor Washington agreed to seconded the amendment.

Presiding Officer Bragdon opened a public hearing on Ordinance No. 00-851B. No one came forward. Presiding Officer Bragdon closed the public hearing.

Vote on

Main Motion: The vote was 6 aye/ 0 nay/ 0 abstain. The motion passed, with Councilor Monroe absent from the vote.

8. RESOLUTIONS

8.1 Resolution No. 00-2947, For the Purpose of urging a repeal of ORS 197.296 and 1997 Oregon Laws Chapter 763 (20-Year Land Supply).

Motion: Councilor Atherton moved to adopt Resolution No. 00-2947.

Seconded: Councilor Kvistad seconded the motion.

Councilor Atherton said his purpose for bringing this forward was to let the Oregon legislature know that this is an inappropriate mandate for the state to impose on local jurisdictions and particularly on the Portland metropolitan region.

Councilor McLain said she knew that this issue has been an important one for Councilor Atherton since he was elected, and she also understood that the 20-year land supply raised

questions for many other people. She asked Larry Shaw, Metro Legal Counsel, what the implications would be for local jurisdictions who need to know on what time horizon to plan.

Larry Shaw, Senior Assistant Counsel, said the statute, adopted in 1995, supplemented an existing Goal 14 rule provided a formula for calculating a 20-year land supply. Goal 14, adopted in 1974 calls for a compact, livable form described as roughly a 20-year supply of land for jobs and housing. If the 1995 statute was removed, the local jurisdictions would be left with the Land Conservation and Development Commission LCDC rules and its practice of imposing a less-stringent but similar time frame, but without the formula for doing the calculation.

Councilor McLain said this requirement constitutes an important element of the planning horizon and should be given some consideration. However, she noted that Councilor Atherton had intended this resolution to be a communication to the state legislature. She asked that he clarify what he thought this would truly communicate. She said he had requested a repeal of this statute, but she wondered why he wished to do that now and whether he believed this venue was appropriate.

Councilor Atherton said the communication was very clear in saying this was Metro's concern, not the state's. Metro should decide the shape and size of its communities. He said the only reason the 1995 statute was put into law was to force Metro to move the UGB to accommodate a special, development interest. He said this statute had been referred to as a "tool," but he said it had been used as a weapon to tear apart communities. He thought the state should know that. He noted that several cities—Milwaukie, Portland, Lake Oswego, West Linn, Oregon City, and Gresham—had sent that message to the legislature last year. Councilor Atherton read a letter from the City of Milwaukie expressing the idea that growth should be a local issue rather than a state mandate. He urged Metro to send its communication to the legislature this year and continually until this offensive mandate is repealed.

Councilor McLain said she would not vote for this first because she believed that a 20-year land supply was a minimum planning horizon. She would prefer to plan farther ahead than that. Second, Goal 14 was under revision, and some of the details have not yet been worked out. She would prefer to know the details so Metro could determine what would be needed to replace the 20-year land supply if that were deleted.

Councilor Atherton said that the issue was not the planning horizon, but whether it should come from the state or determined locally. He suggested that the relatively new concept of "complete communities" might be defined and used as a guide in place of forcing communities to grow whether they want to or not.

Councilor Kvistad said he thought the UGB had become a weapon but in an opposite way. He thought the no-growth factions had used it to file frivolous law suits and drive up housing prices by keeping the land supply low.

Councilor Atherton said that in the absence of a 20-year land law, communities would work as an organic whole to decide how large they would like to be. He did not believe that the price of housing was related; rather the prices were due to the types and number of well-paying jobs available. Also, he said prices were driven up because Metro subsidized profiteering in speculation on bare land. He said if the 1995 statute were repealed, it would spur the complete communities discussion, and under that concept developers would need to pay for the cost of growth.

Vote: The vote was 1 aye/ 5 nay/ 0 abstain. The motion failed, with Councilor Atherton voting aye and Councilor Monroe absent from the vote.

8.2 **Resolution No. 00-2948A**, For the purpose of Authorizing the Executive Officer to Enter into a Memorandum of Understanding with Tri-Met Regarding the Right-of-Way for the Interstate Max Project and Negotiate a Real Estate Transfer Agreement.

Motion: Councilor Kvistad moved to adopt Resolution No. 00-2948A.

Seconded: Councilor Washington seconded the motion.

Councilor Kvistad said this memorandum of understanding (MOU) would allow the transfer of property at Expo. For Tri-Met to be able to justify for the federal government with regard to the IMAX project, it must show that it has acquired the right-of-way throughout the existing alignment. This MOU would transfer that right-of-way to Tri-Met. The question of where the station near Expo would be remained to be decided, although he had his preference. Regardless, he thought this MOU should be approved.

Councilor Atherton asked Councilor Kvistad about paragraph 4 on page 3 of the resolution (contained in the meeting record), compensating Metro on the takings. He asked what the downstream consequences would be.

Councilor Kvistad said subsection 4 was added at Councilor Monroe's request, to hold Metro harmless and to guarantee that the impact on Metro of free park-and-ride would be revenue-neutral.

Councilor Atherton asked what would happen if Metro did charge for parking and it did produce revenue.

Councilor Kvistad said the parking revenue would go to Metro's general fund.

Richard Brandman, Transportation Planning Director, Metro, said two issues were worth noting: 1) this MOU would provide how Tri-Met would compensate Metro for the value of the land the alignment would run on and the stations would occupy. That value would be based on the market value, largely driven by the parking revenues themselves. Metro now charges for parking, but the spaces have not always been occupied and generating revenue. That revenue would be divided as stated in number 4. The park-and-ride itself remains an outstanding issue. Tri-Met would use some spaces for park-and-ride—estimated at about 300 spaces—but the demand would not be known for sure until the line begins running.

Councilor Atherton said he had asked about the situation when parking was all paid.

Mr. Brandman said Tri-Met had left it up to Metro whether to charge for parking on the park-and-ride lot. If parking were paid, it would be the only paid parking in Tri-Met system of park-and-ride lots. That could discourage park-and-riders, since a free lot exists at the PIR. On the other hand, Tri-Met might begin charging for parking at a number of lots around the region. That would change the dynamics. Currently, Tri-Met's position was that Metro could charge if it wanted to and keep the revenue.

Councilor Kvistad urged an aye vote.

Vote: The vote was 6 aye/ 0 nay/ 0 abstain. The motion passed.

8.3 Resolution No. 00-2951, For the purpose of Declaring the Week of June 11-16, 2000 Speech and Debate Week.

Motion: Councilor McLain moved to adopt Resolution No. 00-2951.

Seconded: Councilor Atherton seconded the motion.

Councilor McLain said the purpose of her resolution was to honor and support the more than 2000 students from 50 states and territories, who would be in Portland for the week of June 11-16 to compete in speech and debate contests. She read the resolution into the record.

Councilor Atherton asked if Glencoe High provided varsity letters for speech and debate.

Councilor McLain said yes, as do several other high schools in the area.

Vote: The vote was 6 aye/ 0 nay/ 0 abstain. The motion passed.

8.4 Resolution No. 00-2952, For the purpose of adopting an evaluation and periodic work program for the Regional Urban Growth Boundary.

Motion: Councilor Park moved to adopt Resolution No. 00-2952.

Seconded: Councilor Washington seconded the motion.

Councilor Park said this action proposed to submit a periodic and review work program to for the UGB to the DLCD. According to state law and Metro Code, Metro must examine its UGB every five years. The Periodic Review includes several steps, the first being the need to evaluate first a regional UGB and any applicable Metro Code provisions to see if changes might be needed. The 20-year land supply questions would be part of that. Second is development of a work program with scheduled tasks. Third is to implement the work program. The work program and evaluation concludes that there are substantial changes in circumstances in the issues of statewide significance that must be addressed, triggering this regional work on the UGB.

The first phase of the proposed three-phase program would address the legislative amendments needed to expand the UGB if needed to meet the 20-year land supply by the end of October. Phase two would address subregional needs for housing and employment opportunities and for "complete communities," consistent with Metro's 2040 growth concept. The third phase would address the 20-year land supply issue, with an update in 2002. Metro held public hearings in advance of the May 16 hearing, and the public comments received have been attached to the meeting record.

The policy issues were clarification of the 20-year land supply and whether Metro could consider moving the UGB more than what would be required in order to achieve complete communities. That means that if more land were needed in a sub-region in order to achieve 2040 goals and if the aggregate of such needs pushed the total need higher than what was calculated for a 20-year land supply, Metro would be able to move the UGB to achieve that goal. Metro has not received clear answers from the DLCD on that issue, and this would make the DLCD a partner to the process. The DLCD would still need to approve the concept.

Mike Burton, Executive Officer, said many of the issues related to this were mentioned in the Council/Executive Informal [May 23, 2000]. This change in process would represent a major change of direction from the past. He said that although individuals might have disagreed on the particulars, they had all agreed on the ultimate goal, and that was to create livable communities. He said the opportunity here was to make progress toward that ultimate goal. He said he had discussed with a staff member at DLCD that morning, the issue of the required time horizon for land within the UGB. In the past, it had been a 50-year horizon, with 20 years' land supply inside the UGB and 30 years' in the Urban Reserves. He thought the precedent was, therefore, a 50-year land supply, and he did not see that should change.

Mary Weber, Growth Management Manager, reviewed possible changes to Exhibit B to the resolution, dated May 25. She called attention to the strike-outs and additions on page 4, which comprised clarification edits rather than substantive edits suggested by the DLCD. She continued that one comment was regarding the sub-regional analysis phase of the work program where they had a very distinct program item saying they would likely go beyond a 20-year land supply to meet subregional need for jobs. She noted it also brought up the issue of selection of priority of lands. She said the staff recommendation was to get across the same intent to the commission through a slightly different approach. She said, basically they would request clarification of the 20-year land supply, then selection of the priority of lands for inclusion. She said the issue was not being swept under the table, but this would allow the work program to move ahead. She said there were no other substantive changes. There was an additional request in the state's letter to delay the final work product in Phase 2 from January to March. She said, rather than changing the date in this work program they could use the subtask in front of each of the phases to refine the program when they knew all the details.

Councilor McLain asked Ms. Weber if she had responded to the comment on page two of the letter, item 3, with this language.

Ms. Weber said no, not directly to that particular statement about adoption of the UGB, only that they would probably request clarification.

Councilor McLain said she understood the difference between "may" and "will", and felt if they wanted strong language, it should say "will". She wondered about the choice of words and reiterated that she would rather have it say "will" due to previous conversations.

Mr. Burton agreed with Councilor McLain.

Presiding Officer Bragdon opened a public hearing on Resolution No. 00-2952.

Jim Hinman, Urban Planning Coordinator, Department of Land Conservation and Development, said the way he read the work program, the issue of whether the UGB was a 20-year UGB or more was not going to be raised as a policy issue in the work program itself, but after, during the conduct of the work task. He said he fully supported that decision and thought it would serve all of them well. He felt, as stated in his letter, that the work program would be stronger if the dates were set back from January to March to coincide with subtask 14 on the determination of regional need. He noted that one of the options discussed in the note was that the sub-regional need would essentially be absorbed in the regional need forecast as written. He felt the date change would not tie Metro's hands in any way, but it would improve the internal consistency of the work program. He also noted the timeframe in E-1. He said it was not apparent to him what would be gained by saying "4" instead of "5".

Councilor Atherton asked Mr. Hinman what would happen if, after Metro went through the subregional need analysis, they came up with more land wanted inside the UGB than was needed according to the needs analysis. He asked what process Mr. Hinman would suggest for taking lands out that had been added, that was contentious. He asked if that was included anywhere in the work plan.

Mr. Hinman said that was a very difficult question. He addressed the taking out of land if there was too much and other land wanted to be substituted. He said that was the Council's decision when they adopted the UGB. To the first part of the question, he responded that the issue of subregional need was a difficult one. He had hoped that problem might go away, but in the final analysis there was only a regional urban growth boundary and there is a need to amend that periodically based on the factors of Goal 14 and other statutes and administrative rules. At some point the council would have to reconcile that.

Councilor Atherton thanked Mr. Hinman. He felt the subregional boundary was exactly where they were headed.

Mr. Hinman said it would pose a contradiction or a new direction in policy to talk about subregional boundaries. He had not heard it mentioned yet and hoped it could all be resolved in the context of the regional boundary. He said that was why he was recommending the technical changes to the work program.

Councilor Atherton asked Mr. Burton if this was a tool or a weapon.

Mr. Burton answered that all of these things were tools and the responsibility that Metro had was to manage the UGB for the region. He thought the reality was that achieving an absolutely perfect jobs-housing balance was a goal they had to keep striving for, but one that they would perhaps never achieve. He said having the tool of the UGB and a process to look at it were policy decisions they all had to consider. He felt the tool needed to say to the jurisdictions that they were all in it together because of their common needs. He said the main thing about this particular work plan was the opportunity to sit down and have this process work as a planning process rather than a court legal process.

Councilor Atherton responded that he could see they were moving away from the concept that they were going to manage growth toward the concept of complete communities. He was conflicted to see how this work plan would move them towards the goal of complete communities.

Presiding Officer Bragdon noted that when Mr. Benner first started talking at MPAC about periodic review, two of the reasons he used to encourage them to enter into review were that things would move along at an expedited pace and that it would bring some surety to things. He asked Mr. Hinman if that was still the department's position.

Mr. Hinman responded that he believed it was. He said once the work program was adopted, there was a 21 day objection period and then they would issue a report. He said they were committed to moving it along.

Presiding Officer Bragdon closed the public hearing.

Councilor McLain asked Mr. Shaw about the bolded paragraph on page 2, just before item number 2, that said LCDC policy had established a precedent that the need was 20 years, and

unless they changed that precedent, that would be the rule of thumb Metro's work would be reviewed by.

Mr. Shaw responded that there were two issues raised, the easiest to respond to was the four versus five years. He said the reason 4 years had been established for Task 2 was the comments they had received from several places interested in sub-regional analysis had wanted Task 2 to be put in with Task 1. Now the Council was asking for the results of Task 2 to go to Task 3. The reasoning and approach was that whenever a UGB amendment was done, they were required to use the best information they had about the capacity of the UGB at the time. He said Metro received annual information from their jurisdictions, so the information used would clearly be updated automatically and available for the 2000 amendments. He said they would then do a full 5 year forecast 20-year analysis based on a complete new forecast for Task 3. He said changing it now, no matter how internally consistent it might look, would not be responsive to the comments they had received. He added that this was the first time he had seen in writing from LCDC that they considered current policy to be a 20-year supply and that going over would violate Goal 14.

Councilor McLain said that answered her question and she would accept that language of "will, if needed". She said this was the most challenging endeavor because the clear terminology was not just statistical, it was policy laden and every time they changed the definition of anything, it was through a policy change. She said the work they had done here over the last 10 years has said they prefer to have the goal and vision of seeing 24 cities and 3 counties that were full livable communities with all aspects necessary for that type of livability. She said it always came back to whether they were going to work for jobs and housing in all areas. She said there had to be some sensibility on how to balance all of those values. She did not feel they would get to the conversation of livable communities if they had to keep looking at the types of number crunching LCDC asked them to do. She said she would support the resolution to work on the issues.

Motion to

Amend:

Councilor McLain moved to amend Resolution No. 00-2952 with the words "will, if needed" in place of "may", and include changes in Exhibit B.

Councilor Park, the maker of the motion, and **Councilor Washington**, the seconder of the original motion agreed to Councilor McLain's friendly amendment.

Councilor Kvistad commented that part of this regional land use disaster they were in the midst of had to do with inappropriate interference from Mr. Benner in the process. He felt Metro had done a great job of trying to balance regional interests, but now they were here doing it all over again because special no growth interests sued every time they turned around. He said he was angry and frustrated because regardless of what they had agreed to, now they were forced to do it again. He said he would not support the resolution because it would justify their having to do it. He said he would be supportive of whatever they needed to do as a result of the resolution.

Councilor Atherton agreed with Councilor Kvistad that they were hurting people and the process was not working. He felt their job was to figure out whether how the communities wanted to grow would work with what others wanted to do. He said he could not tell from reading the document whether it would work. He said he was inclined to vote no as well because of that reason.

Presiding Officer Bragdon shared some the impatience that had been expressed in the sense of having to redo things. He pointed out that a lot of that had to do with court decisions saying

things were not done properly in accordance with state law. He said it was logical to ask for state guidance at this point to avoid a repetition of some of those things. He felt this approach would do that and said he would support the resolution and felt the pressure should now be on LCDC to keep to a timetable and work with Metro.

Councilor Park closed by saying this work program was needed to flush out the uncertainty of this question. He summarized the remarks of the Councilors. He hoped for a unanimous vote on this resolution to let LCDC know answers were needed to these questions so everyone would know what the rules were. He urged the Council to move ahead with this as amended.

Vote on the

Main Motion: The vote was 5 aye/ 1 nay/ 0 abstain. The motion passed with Councilor Atherton voting no. Councilor Monroe was absent from the vote.

9. COUNCILOR COMMUNICATIONS

Presiding Officer Bragdon reminded the Council of the retreat with Mr. Burton and Ms. Dow on Tuesday, May 30, 8:30 am at the Oregon Zoo.

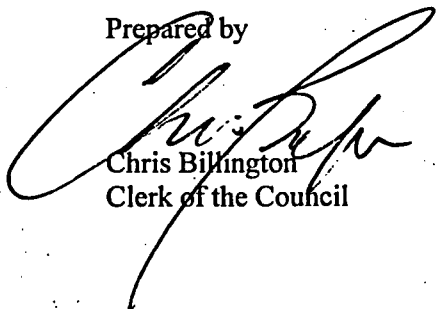
Jeff Stone reminded the Council that there would be a Council meeting on June 1. It had previously been cancelled, but would not, in fact, be held.

Councilor Kvistad noted that today was the anniversary of former Metro Councilor, now Multnomah County Commissioner Lisa Naito's 29th birthday and wished her many happy returns.

10. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Bragdon adjourned the meeting at 3:36pm.

Prepared by



Chris Billington
Clerk of the Council

Document Number	Document Date	Document Title	TO/FROM	RES/ORD
052500c-01	5/11/00	Minutes of 5/11/00 council meeting		
052500c-02	5/25/00	REM Committee report		Ord. No. 00-851A
052500c-03		Proposed amendment to Ord. No. 00-851A		Ord. No. 00-851A
052500c-04	5/25/00	Transportation Planning Committee report		Ord. No. 00-2948A
052500c-05	5/10/00	MOU between Metro and the Tri-County		Res. 00-2952

052500c-06	5/25/00	Metropolitan Transportation District Exhibit B to Metro Urban Growth Boundary Periodic Review Work Program 2000		Res. 00-2952
052500c-07	5/24/2000	Letter RE: Periodic Review Work Program	David Bragdon, Rod Park/ Jim Hinman, DLCD	Res. 00-2952
052500c-08		Resolution No. 00-2952		

Health Insurance Briefing

June 1, 2000

Presenters:

Nancy Meyer

Scott Moss

Tony Ciez, Vice President, Willis Corroon

Benefits is administered by Risk Management in
the Administrative Services Department

Health Benefits Provided by Metro

Choice of Medical Plans

- ODS PPO/Indemnity Plan - 265 participants
- ODS HMO - 130 participants
- Kaiser Medical Plan - 197 participants

Choice of Dental Plans

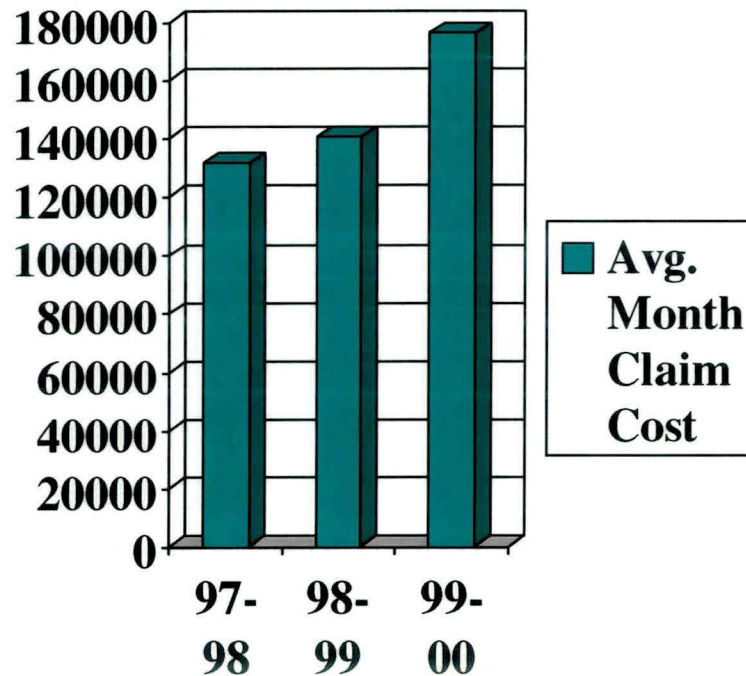
- ODS Dental - 545 participants
- Kaiser Dental Plan - 79 participants

Vision Plan

Long term disability

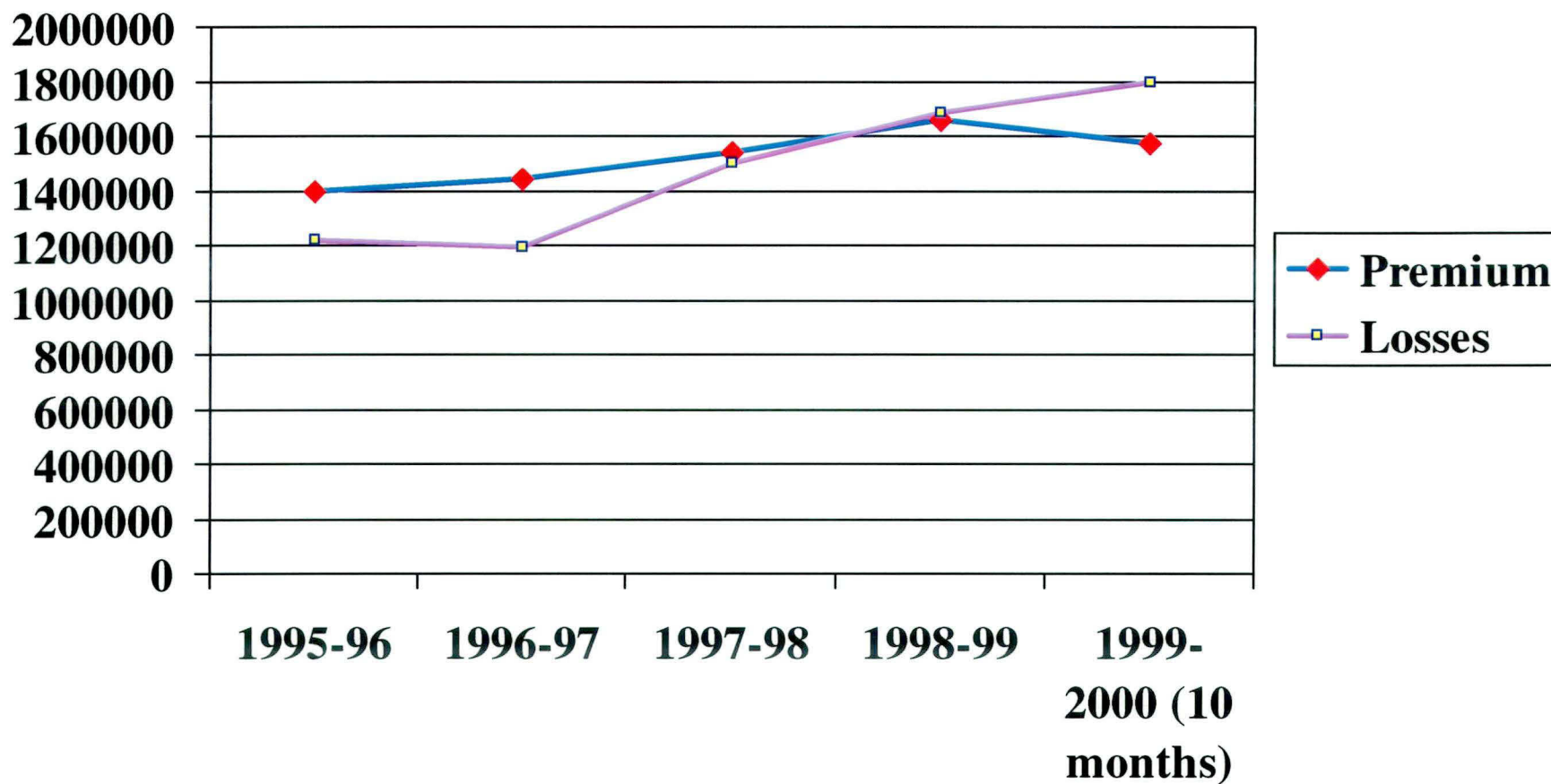
Life Insurance

ODS Medical Claims (Combined PPO & HMO)



- 1997-98 highest month was \$165,863
- 1998-99 highest month was \$176,108
- 1999-2000 5 months over \$200,000 -
- March \$287,000
- Loss ratio 114% (Losses/Premium)

Premium vs. Losses



Local Comparison

(Current Rates)

Entity	Metro	Multnomah County	Washington County	Gresham	Clackamas	Clark County	Beaverton	Portland	Special District	Vancouver
Insurer	ODS	ODS	Providence	Blues	Blues	Blues	ODS	ODS		Blues
Monthly Cost	345.08	384.91*	357.54	300* (\$390 Family)	660.71 (\$500 per employee) 1/1/00	390.20* 1/1/00	392.47 (\$530 Family)	380.49	354*	426.15 1/1/00
Employee Contribution	No	No	No	2 Yes 1 No	2 Yes 3 No	No	Yes 2 No	No	No	No
Plans	PPO HMO Kaiser	PPO Kaiser	POS Kaiser	PPO Indem Kaiser	2 PPO POS HMO Kaiser	PPO HMO Kaiser	PPO POS Kaiser	2-PPO HMO Kaiser	PPO HMO	2 PPO HMO Kaiser

*estimated composite rate based on tiered rates

Rates

	Current	Requested	Revised	Percentage
ODS PPO	345.08	416.20	402.77	16.7%
ODS HMO	344.99	434.27	407.02	18%
ODS Dental	77.09	83.46	80.86	4.9%
Kaiser	332.74	362.04	362.04	8.8%
Dental Kaiser	54.87	66.49	66.49	21%
Vision	13.28	13.28	13.28	0

Alternative Providers

- Mutual of Omaha - no quote - not competitive
- Pacific Health Care - no quote
- Regence - no quote - not competitive
- Life Wise - no quote - not competitive
- Special Districts - too big to participate
- Providence Quote higher than ODS

Cap

Monthly Rates

	2000-01	2001-02
Cap (AFSCME)	\$485	\$509
Rate	\$501.16	\$575*
Over Contract Cap	\$16.16	\$66*

*Estimation Only

Action Plan

- Joint Labor/Management Committee: Required in union agreements to explore alternatives if over cap.
- Committee recommended risk management fund subsidize amount over cap for one year. (Cost \$75,000 to \$80,000)
- Executive Officer agreed with recommendation.
- Committee to work together to explore alternatives for benefit reduction and/or out-of-pocket.

Future

- Open enrollment June 5- June 23
- Analyze prescription benefit to identify alternatives to reduce cost
- Meet quarterly with unions to provide education
- Next Year - Prepare for significant out of pocket and/or changes in benefits